TELECONFERENCE WORKSHOP

BEFORE THE

CALIFORNIA ENERGY RESOURCES CONSERVATION

AND DEVELOPMENT COMMISSION

In the Matter of:	)	
	)	
Application for Certification	)	Docket No.
Ocotillo Energy Project,Phase I,	)	01-AFC-8
by InterGen North America LP	)	
_____	)	

CALIFORNIA ENERGY COMMISSION

HEARING ROOM A

1516 NINTH STREET

SACRAMENTO, CALIFORNIA

THURSDAY, AUGUST 2, 2001

10:00 A.M.

Reported by:
Valorie Phillips
Contract No. 170-01-001

COMMITTEE MEMBERS PRESENT

Susan Gefter, Hearing Officer

Ellen Townsend-Smith, Advisor

STAFF and REPRESENTATIVES PRESENT

Jeff Ogata, Staff Counsel

Mike Ringer

Keith Golden

Robert Haussler

Andrea Ericksen

Matt Trask

Michael Clayton

Will Walters

Brewster Birdsall

PUBLIC ADVISER

Priscilla Ross

APPLICANT

Michael J. Carroll, Attorney
Kim McCormick, Attorney
Latham and Watkins

Robert Hren, Vice President
InterGen North America

Joan Heredia, Manager, Air Quality Services
URS Corporation

John Legue
Julie Mitchell

Ralph Morris, Environ

INTERVENORS

Sky C. Stanfield, Legal Assistant
Adams, Broadwell, Joseph and Cardozo
representing California Unions for Reliable Energy

ALSO PRESENT

Ernest Quintana, Superintendent
Charles Taylor, Acting Assistant Superintendent
Chris Holbeck, Resource Management Specialist
Henry McCutchen, Chief of Natural Resources
U.S. Department of the Interior
National Park Service
Joshua Tree National Park

Judy Rocchio, Pacific West Regional Air Quality Coordinator
National Park Service

Kris Shaver
John P. Notar, Meteorologist
Don Shepherd
Don Codding
John Vimont
U.S. Department of the Interior
National Park Service
Air Resources Division

Matt Haber
Robert Baker
Environmental Protection Agency

Moshen Nazemi
John Yee
Chandra Bhatte
Tran Boh
South Coast Air Quality Management District

Jan Pye, City Council Member
Desert Hot Springs

Dr. Hans Petermann, President
Hot Technologies

Shari Joseph

Marie Lyons

ALSO PRESENT

Michele Hughes

Elizabeth Wallin

John Oliver

Jane Oliver

Pamela Mann

Theresa Covey

Thomas Covey

Barbara Grumbine

Daryl Gilbreath

Steven Bayrd

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P R O C E E D I N G S

10:00 a.m.

MR. OGATA: Good morning. My name is Jeff Ogata. I'm a Staff Counsel on the Ocotillo case. Typically a project manager would be running the show here, but Mr. Pryor has taken ill, and so he's not available today.

We have a number of staff people in the room on our side, and so I guess just for the record we'll have everyone introduce themselves that are here.

And we'll try to see if we can get through everyone on the phone line that wishes to announce themselves. Since we have your name already, you don't necessarily have to report yourself in when I ask for the rollcall. But if you expect to speak, then we would appreciate you identifying yourself at this point in time.

So, again, my name is Jeff Ogata. I'm a Staff Attorney. And we'll start with Bob Haussler.

MR. HAUSSLER: Bob Haussler; I'm Manager of the Environmental Office, Energy Commission Staff.

MS. ERICKSEN: Andrea Ericksen,

Biological Resources.

MR. GOLDEN: Keith Golden, CEC, Senior Air Quality Staff.

MR. RINGER: Mike Ringer, CEC Staff, Air Quality/Public Health.

MS. TOWNSEND-SMITH: Ellie Townsend-Smith, Advisor to Commissioner Pernell.

MR. OGATA: In case you didn't hear that, Ellie Townsend-Smith. She's Commissioner Pernell's Advisor.

MS. ROSS: Priscilla Ross from the Public Adviser's Office.

MR. OGATA: So, now I guess if we can quickly kind of go through the people on the phone. First from the applicant.

MR. CARROLL: This is Mike Carroll with Latham and Watkins on behalf of the applicant. Also from our office is Kim McCormick. Joan Heredia is on the line from URS. And, Joan, perhaps you can introduce the rest of the URS team.

MS. HEREDIA: Sure, I'd be glad to. Joan Heredia, URS; I'm the Project Manager for the Ocotillo Energy Project. On the line with us is John Legue, who is the Air Task Leader. Julie

Mitchell, who assisted on the PLUVUE modeling. And Ralph Morris from Environ who assisted on the CALPUV modeling.

MR. OGATA: Okay, and Bob Hren has shown up here now, too, so Bob's here.

MS. HEREDIA: And it sounds like somebody's put us on hold.

MR. OGATA: That's right. We'll cover some of the ground rules about telephone conference calls from our prior experience, but that's one of the things. If you put us on hold and have music in the background it will definitely come through, so please don't do that.

Also, we can hear any phones ringing in the background. We can hear any people having discussions in the background, so those things are also distractions. So we'd appreciate it if you'd try not to do that, as well.

All right, how about the National Park Service. I know there's a number of you present. Those folks that you think are going to be speaking, would you introduce yourselves, please.

MS. SHAVER: This is Kris Shaver and I have John Notar, Don Codding, Don Shepherd and John Vimont here from the Air Resources Division

in Denver.

MR. QUINTANA: This is Ernest Quintana, Superintendent, Joshua Tree National Park. And with me is Chris Holbeck, Physical Sciences for the Park, and Mr. Charles Taylor, who is Acting Assistant Superintendent.

MR. McCUTCHEON: Henry McCutcheon, Chief of Natural Resources, Joshua Tree National Park.

MS. ROCCHIO: This is Judy Rocchio; I'm the Pacific West Regional Air Quality Coordinator for the Park Service.

MR. OGATA: Judy, did you just come on the line?

MS. ROCCHIO: Yes, I did.

MR. OGATA: Okay, I'm sorry, could you spell your last name for our reporter, please.

MS. ROCCHIO: Okay, yes. It's spelled R-o-c-c-h-i-o.

MR. OGATA: Thank you. And your affiliation?

MS. ROCCHIO: National Park Service Regional Office.

MR. OGATA: Thank you. All right, from the Air District.

MR. YEE: John Yee from the South Coast

Air Quality Management District. And Chandra Bhatte and Tran Boh.

MR. OGATA: Thank you. Do we have someone from EPA?

MR. HABER: Yes, this is Matt Haber and Bob Baker from our Permits Office is also on the line.

MR. OGATA: Okay, thank you, Matt. Do we have someone from the Forest Service? Okay. Fish and Wildlife? Okay.

Is there anyone from the City of Palm Springs? Any of the citizens?

MS. LYONS: Marie Lyons, resident of Palm Springs.

MR. OGATA: Anyone else?

MS. MANN: Pamela Mann.

MR. OGATA: Okay, anybody else? As I said, it's not critical; it's just that, again, for the record we want to be sure that if you intend to -- if you're going to say something that we have you on now. We've taken down all your names already, so we do know who is on the phone.

Okay, let's see if we can get started. I appreciate all you folks coming on the phone. Again, I apologize, this is not our preferred

method of doing business, but given some time constraints we will have to do things this way.

Because this is a telephone conference, as I said, we do have some experience with this. And it can work out well, but it also can be very very difficult, especially with this number of people on the line.

It's very important that people talk in their proper turns, and I know that can be really difficult. So I'm going to try to keep this as organized as possible. So if there's a point that you want to make you may have to jot it down, because we may not be able to get to you for a minute or two, and we don't want you to forget it.

So, please try to make sure that we don't talk over each other. As stated before, this is being recorded. It will be transcribed. The transcript will be put on our website. It will take maybe seven to ten days before that happens, but it will be on the website. So, in order to make sure we have a nice clean recording we cannot have people talking over each other because that just won't work.

We have Priscilla Ross here from the Public Adviser's Office. I'd like Priscilla to

again give a brief description of what her office does and how she can help the public. Priscilla.

MS. ROSS: Thank you. This is Priscilla Ross from the Public Adviser's Office. Our job is to make sure the public has an opportunity to work within the process that we use for siting power plants. And the public has a right to be involved in a public way, to make comments and to be in attendance at workshops and hearings that are held regarding this power plant.

We can help you get on the mailing list; we can help you get through the website so that you can find documents. All of the things that we do, all the documents that are produced are a part of the public record and available to you.

If you're interested in seeing the application for certification, it's available in the Palm Springs Public Library. And if you need information or help in getting ahold of that, we can help you. We know the hours, we know its availability. So, you can certainly give us a call and ask for help.

If you have a technical question we are not technicians and we don't answer those kind of questions, but we usually know who's involved in

the case and what technician you may need to talk to if you have particular questions. So you can certainly start with our office and we can help direct you through the project manager and the people that assist him in putting the reports together.

So, I'm going to give you my numbers one more time. It's (916) 654-4489, will get you through to a person. If you'd like to call toll free you can leave a message and we'll call you back. It's 800-822-6228.

MR. OGATA: Thank you, Priscilla. This is Jeff Ogata again. One of the cardinal rules of being on a telephone call that's being transcribed, even if not, please state your name before you make your comment, so that everyone knows who you are when you're speaking. And I'll do my best to remember that, as well, while I'm going through this.

MS. HEREDIA: Jeff, this is Joan Heredia from URS.

MR. OGATA: Yes, Joan.

MS. HEREDIA: One suggestion I might offer here is I see on the agenda the various items that are listed, and I'm wondering if it

might be helpful if as we enter each topic area if maybe I could just summarize what URS has done to date as a way of introduction of the various topic areas, if you feel that's appropriate.

MR. OGATA: Yeah, Joan, I think that makes sense. What I was actually hoping to do is do it in the reverse order. I know that the Park Service made a number of comments at the informational hearing, and that's pretty much the basis for this meeting, so that we can get maybe additional clarification from them.

And then I wanted to have you then respond in terms of what you have done to date, and maybe then have a little discussion about what the Park Service feels needs to be done in addition, and what you feel like you can do or can't do.

But kind of to set the stage I kind of wanted the Park Service to basically go over those comments, again, briefly, so that we all start from basically the same starting point.

MS. HEREDIA: Okay. I think that that is fine. I just wanted to make sure, because I realize the document is rather thick and there's a lot of information presented, and just wanted to

maybe help point it out. But, yes, if you want to proceed in that manner, that's fine.

MR. OGATA: Yes, I definitely will want you to respond so that you can help clarify what the information is. And, you know, some of our staff wasn't -- they weren't at the informational hearing, as well, so again I kind of want them to hear firsthand, and then go to you and have you respond. And then we can kind of talk about what we need to do from that point forward.

MS. HEREDIA: Okay.

MR. OGATA: So, the topics that we're hoping to address today are mostly the issues raised by the Park Service: The best available control technology issue; air quality related values; the emissions offsets; the issue about nitrogen deposition; the visibility issues; and then we'll talk a little about the schedule at the end of that discussion.

So as we take up each topic again I'd like to have, again first, since this is primarily, not entirely, but primarily from the National Park Service's comments, I'd like to have the Park Service raise the issues first.

We will have Ocotillo then respond and

clarify where they believe the information is. If our staff has any questions about that information we'll have our staff ask questions. If any other agencies, any of the public members have some questions about the information, then we'll have that.

And then we'll see what we need to do in order to get all the information that the agencies require.

I would like to point out again for the public benefit that this is a workshop intended to try to clarify information, to ask questions about where information exists; if it doesn't exist, how can we get it.

We are not going to debate any issues today. This is an information-gathering workshop. So, please don't get in an argumentative mood. If you have questions about where things are or why things are, that's fine. But we don't intend to debate the merits of anything today. You'll have plenty of time for that later on.

MR. CARROLL: This is Mike Carroll on behalf of the applicant. If i could just make an introductory statement before we get into the specifics.

Obviously our objectives here are to do what you just said, to go through the details of the concerns of the Park Service and others, and try to address those.

But we have sort of an over-arching objective that I would ask everyone to please keep in mind. And that is to make sure that we get all of the issues out on the table today.

Given the overall timeframe that we have with respect to the project, and then some of the more specific deadlines that have been imposed on the applicant in terms of doing additional analysis, we think it's critical that we get all of the issues related to or all the concerns related to impacts in the class one areas out on the table so that we can set about doing the work, to the extent there's additional work that needs to be done to respond to those in a timely fashion.

So, we would ask that everyone please exhaust their entire list before we wrap up today so that we understand exactly what needs to be done and we can go away and start doing it.

MR. QUINTANA: Mr. Ogata, this is Ernie Quintana, Superintendent of Joshua National Park.

May I add a few items, as well?

MR. OGATA: Yes, please, Mr. Quintana.

MR. QUINTANA: We're concerned that -- I know the applicant would like to get everything out on the table, and we, the National Park Service, has made a good effort at reviewing the documents.

Although our review of those environmental documents is not complete. So there could be in the near future some additional information.

Obviously the expedited process has shortened the timeframe that allows us to thoroughly analyze the information in those documents.

So, I know where the applicant is coming from, but I'm not so sure that we'll be able to get all the issues. We will reclarify and restate the issues that were presented at Monday's meeting, and provide any information pertaining to those particular issues.

I'm not quite sure what you mean, Mr. Ogata, about clarification. I thought we were quite clear on Monday about what the issues were.

MR. OGATA: This is Jeff Ogata. I think

that's true from my perspective, but again, I just want to be sure that that's true from everyone else's perspective, as well.

To the extent that the applicant has some additional questions about what your needs are, that's why we're going to hear from them after you make your presentation. Because they didn't really have a chance to respond on Monday night. And I know that they have several things that they would like to ask or clarify. So that's partly what's going to happen today.

I understand the scheduling issues, and at the end of this discussion we are going to talk about the schedule to see kind of where we are on that and what we can do.

But, I do appreciate your concern, and I do appreciate Mr. Carroll's concern, as well.

MR. QUINTANA: Thank you.

MR. OGATA: Are there any other questions about logistics before we get started? If we need to, I think we can go till about noon. So if there are people that really need to leave and they have something that they'd really like to say, then, you know, I'll be happy to entertain that.

But, as I said, we're going to try to get this accomplished as quickly as possible, but we can stay till noon at least, for the time being.

Okay, then if there's nothing else let's go ahead and start with the first topic, which is the best available control technology, BACT. And I'll ask the Park Service again to summarize what their concerns are about BACT. And then we'll have the applicant respond, and then we have the Air District available to make some comments, as well.

MR. NOTAR: This is John Notar, Park Service of Denver. I made a presentation on Monday. And I'm turning over the BACT discussion to our engineer, Don Shepherd.

MR. SHEPHERD: This is Don Shepherd with the Park Service. And we really have two concerns. One is that normally we would accept 9 ppm on a simple cycle turbine for NOx as BACT.

However, in this case with the impacts that we're seeing on Joshua Tree, we think that warrants a higher level of control. In this case we're suggesting that hot SCR would be appropriate, which could reduce emissions by about

77 to 80 percent, down to around 2 ppm.

That would go a long way toward reducing the impacts on Joshua Tree.

MR. OGATA: Okay.

MR. SHEPHERD: There's another issue. Later, I guess, this project is going to convert over to combined cycle, with SCR. And we think that should be made an enforceable part of the permit if that really would happen. Is there any assurance that that will be made enforceable?

MR. CARROLL: This is Mike Carroll from Latham and Watkins on behalf of the applicant. The answer to that question is yes, the CEC will, for two reasons.

One, the Public Resources Code section under which the project is being approved requires the project to convert over to combined cycle, so it's a requirement of state law.

In addition to that, the Energy Commission asked for, and the applicant included in the application for certification, a condition to that effect. So that is absolutely enforceable as a matter of condition on the project, and as a matter of state law.

MR. SHEPHERD: How long would that be

before that happened.

MR. CARROLL: Under state law it's required to occur within three years. The plans for the project is to convert over at the end of 2003. So it would be within approximately 18 months to 24 months of commencing operations simple cycle mode.

MR. SHEPHERD: Okay. In the meantime we believe that a hot SCR system would be the appropriate way to go as far as NOx controls because of the impacts mainly on Joshua Tree.

MR. CARROLL: Sure. Let me address that, and obviously we're going to talk about those impacts later.

We had exhaustive discussions with South Coast AQMD, California Air Resources Board, and EPA Region IX about this very issue.

And the conclusion at the end of those discussions was that because of the unique circumstances associated with this project, those being very high exhaust temperatures, which would make it impossible to install hot SCR without some very innovative and, as yet, untested, we believe, mechanisms for cooling the exhaust temperature.

And then the second unique circumstance

being the relatively short period of time that the unit would operate in simple cycle mode.

Taking into consideration the technological constraints and the short period of time that it would be operating simple cycle mode, that the 9 ppm was the appropriate level.

And so, you know, this certainly is not a topic that has not been discussed. In fact, we've spent a great deal of time talking about it with all three air agencies. We do have a white paper that we can provide to you that goes through the technical constraints, the technological constraints of putting the hot SCR on this type of equipment.

I don't know how much more detail I should go into here because we could spend two hours talking about this topic. But I can assure you all three of the air agencies have analyzed this exhaustively. And the conclusion at the end of the day was that the 9 ppm was acceptable --

MR. SHEPHERD: We would like to see your white paper.

MR. CARROLL: Okay.

MR. SHEPHERD: Have you contacted a vendor or do you have --

MR. OGATA: I'm sorry, can you identify yourself again?

MR. SHEPHERD: This is Don Shepherd.

MR. OGATA: Thank you.

MR. SHEPHERD: We would like to see the white paper, and have you contacted an SCR vendor to get a statement that it's not technically feasible to do this?

MR. CARROLL: We have. We have talked to the equipment vendors; we've talked to our EPC contractor; and we have written correspondence from them to that effect. And they're included as attachments to the white paper. So we can get all of that information to you.

MR. SHEPHERD: Have you explored the issue of decreasing the exhaust temperature in order to make hot SCR feasible?

MR. CARROLL: Yes. That was what was proposed as a potential solution by the air agencies, and that was most of the time that we spent talking about this topic, was looking at the feasibility of accomplishing that.

MR. SHEPHERD: Okay, we'd like to see that because everything we've heard is that it is feasible to put hot SCR on these units. For

example, the Indigo Wildflower unit not too far from there is going with the hot SCR system is our understanding. And it's kind of hard to see why this is so different to do that.

MR. CARROLL: Yes, they are different units. Perhaps Bob Hren can address that. But they are very different types of units. And, in fact, the SCR that's going on Indigo is not hot SCR, it's a traditional SCR. The exhaust temperature at the Indigo facility is considerably lower than the exhaust temperature from Ocotillo in simple cycle mode.

MR. HREN: Bob Hren, the applicant. Mike just stated that there is a significant difference in the exhaust air temperature between the Indigo facility, which will have SCR. That facility will continue as a simple cycle facility.

And the type of equipment we're using on Ocotillo, it's larger combustion turbines, and the exhaust temperature is considerably higher. And that's all covered in the white paper. We'll be happy to send a copy --

MR. SHEPHERD: How high is your exhaust temperature?

MR. HREN: Bob Hren, again. The exhaust

temperature, and I'll ask Joan Heredia, perhaps, to verify this. It's in the 1100 to 1200 degree F range.

MS. HEREDIA: Yes.

MR. SHEPHERD: Okay, well, we would like to see your analysis. I don't think we got that the first time around.

MR. CARROLL: Sure, we can absolutely provide that to you.

MS. HEREDIA: Mike, I also might point out -- this is Joan Heredia -- that that white paper was included in part of our data responses in an appendix. So that is docketed information. And I believe that the Park Service has been provided our data responses by the CEC, so they should have that information in hand.

However, we would be glad to provide it to you separately.

MR. NOTAR: Joan, which appendix letter is that? We have some appendices here, which letter one is that?

MS. HEREDIA: It's within the appendix entitled, South Coast AQMD correspondence documentation. I believe it's appendix 13, or attachment 13.

MR. NOTAR: I'm not sure we have that. We'll check, but we might need a copy of that.

MR. CARROLL: We'll fax it to you, as well.

MR. OGATA: This is Jeff Ogata. I suggest that the applicant just go ahead and send that to the Park Service immediately so they don't have to worry about finding it, okay?

MR. CARROLL: I don't want to get bogged down in detail, but why doesn't somebody give me a fax number right now and we'll do that.

MR. SHEPHERD: Denver National Park Service fax number, (303) 969-2822.

MR. CARROLL: Okay.

MR. SHEPHERD: Okay.

MS. HEREDIA: I'll take care of that, Mike.

MR. CARROLL: Okay.

MR. QUINTANA: Joshua Tree fax number, if you would, (760) is the area code, 367- -- 392.

MR. CARROLL: I'm sorry, the last four digits?

MR. QUINTANA: 6392.

MR. CARROLL: Thank you.

MR. OGATA: And who was that speaking

for Joshua Tree?

MR. QUINTANA: Quintana.

MR. OGATA: Okay.

MR. HABER: This is Matt Haber at EPA. I just wanted to both clarify our position a little bit without getting into a major quibble about it.

But our position is not exactly that we agreed about the technical feasibility or -- necessarily the appropriate LAER limit. So I just want to go on the record about that.

And, Mike, I wanted to also clarify about the dates for combined cycle. Is that a projected date for startup or for cessation of simple cycle operation?

MR. CARROLL: Why don't I let Bob Hren address that.

MR. HREN: Bob Hren, applicant. The dates can always shift a little bit. Our plan is to go into combined cycle operation by the first quarter of 2004. But cease operation in simple cycle to effect that transfer to combined cycle sometime in the third quarter of '03.

MR. CARROLL: This is Mike Carroll. I think the easiest way to think about it in terms

of the timing is that we would like to operate in simple cycle mode for the summer peak of '02 and '03.

MR. HABER: Just for the record, then, quite a bit different than our last understanding. This is Matt Haber, again.

MR. CARROLL: Well, we can clarify that offline, Matt, but I don't think so. That's consistent with the discussions that we had with Ann and Steven, but we can talk about it offline.

MR. HABER: Okay, maybe I can just clarify. The total projected operation in simple cycle mode would be approximately one year, including two summers, is that correct?

MR. CARROLL: That is approximately correct, yes.

MR. HABER: Okay. So that is consistent, then.

MR. CARROLL: All right.

MR. OGATA: Okay, we also have John Yee from the Air District, SCAQMD. Is there anything that you folks want to say, add to this? Air District, no? Are you still there? Okay, maybe we lost the Air District.

Okay, well, we just have to move on. Is

there anything else from the Park Service that you want to add to this discussion on the BACT?

MR. SHEPHERD: Just one other question, --

MR. OGATA: I'm sorry, who is this?

MR. SHEPHERD: This is Don Shepherd.

MR. OGATA: Thank you.

MR. SHEPHERD: Why not do combined cycle now?

MR. HREN: Bob Hren, the applicant. You know our original plan for this project was to do a combined cycle facility for starting up by the summer of 2004.

With the energy crisis in California the Governor issued executive orders to try to speed up power plants coming on line. One of those is Executive Order D-2601 that creates a four-month cycle for projects that can come up in simple cycle by the summer of '02. And I think that was extended into later in '02.

We had equipment that we could move from another project that was intended for another project to meet that schedule. So we modified our plan, and we, at the request of the CEC, broke our permit application into a phase one, which is

what's in the docket now, and a phase two, which would follow.

Phase one being that simple cycle facility for summer '02. And our plan is to follow it up immediately as soon as we can with the combined cycle facility.

So, our objective was initially a combined cycle. We are responding to the Governor's executive orders, and the need for power, to go into that simple cycle earlier.

MR. SHEPHERD: This is Don Shepherd. Just for the record I'd like to note that simple cycle turbines are typically 35 to 38 percent efficient, while a combined cycle unit approaches 60 percent efficiency. Also, a combined cycle has a much lower nitrogen oxide emissions, so therefore we would suggest the combined cycle is a much more environmentally and energy efficient way to go.

MR. HREN: Bob Hren, the applicant. We agree with that, that it's a better way to go, and that's our intention to go as quickly as it can be constructed, into a combined cycle.

But it's not possible to construct a combined cycle in the short timeframe to meet the

summer '02.

MR. YEE: Hi, Jeff. This is John Yee from AQMD. I'm sorry, we temporarily lost connection.

You had that one question that was posed to the District on BACT?

MR. OGATA: Yes, John, I did want to find out if you had any comments to make about it.

MR. YEE: The only comment that I had was that I did want to reference a letter that the AQMD did send to Bob Therkelsen on July 20, 2001.

We did discuss the issue of BACT and that we had been in close contact and conversations with ARB and EPA. That with this letter, though, we had -- with the likely conversion to combined cycle by the end of 2003 we felt that the emissions levels of 9 ppm NOx was acceptable.

For the Park Services we did do a complete analysis. We did search all resources concerning the hot SCR, contacting the vendors, contacting people that actually do the design work and install these things.

What we had found out is that although there's the possibility that the type of

technology can be, or is technologically out there, that no installation had occurred yet.

MR. SHEPHERD: This is Don Shepherd again. Have you considered, instead of bringing in the unit you propose, that you say has such high temperatures it can't be controlled, have you considered bringing in a different unit that would be more easily controlled with hot SCR?

In effect you've made a decision that drastically affects your emissions by deciding what type of unit to bring in.

MR. HREN: Bob Hren, the applicant. I believe that question would be directed to the applicant and I'd be happy to address it, but I'd like John Yee of South Coast AQMD to complete his statement first.

MR. YEE: Well, I think that question is good for Bob's answer because he's the one who actually chose the equipment. We did look at a piece of equipment that's similar to this, which is a Siemens Westinghouse. It has a similar temperature profile of about 1090 versus the 1120 which is, I understand, the 7-FA.

We did review a permit that was issued in Kentucky but had not yet been installed yet.

And although it looked like they were going to -- the permit had special circumstances on which, if it was going to be installed, they had looked at it.

MR. NOTAR: John Notar, National Park Service, Denver. As I stated on Monday, I understand that South Coast will have a federally enforceable permit requiring SCR and combined cycle.

(Technical noise problem.)

MR. QUINTANA: This is Ernie Quintana with Joshua Tree National Park. Mr. Ogata, can you hear me?

MR. OGATA: Yes, we can hear you.

MR. QUINTANA: Can you hear me, Mr. Ogata?

MR. OGATA: Yes, we can hear you. He can't hear us.

MR. QUINTANA: I guess at this point in time I'd like to voice serious concerns about holding the workshop via conference call. I think it would be a good idea for the CEC Staff to come down to southern California and meet with us at the project site. This does not seem to be working. It's very difficult to keep oriented as

to who's on the podium and who isn't. Just threw that out for the record.

MR. OGATA: This is Jeff Ogata.

TELEPHONE SPEAKER: I'm a concerned citizen; I can't hear what's going on either, and I agree with Mr. Quintana. This needs to be held in person between the people who are concerned.

MR. OGATA: This is Jeff Ogata, --

MS. MANN: This is Pamela Mann, and I'm a public citizen. I'm unable to get to a meeting.

MR. CARROLL: This is Mike Carroll. I don't know if the person with the problem here is listening. I can hear somebody talking in the background. If everyone on the phone would abide by the rules that were laid down by Mr. Ogata, which is keep your handset in your hand and focused on the conversation as opposed to what else might be going on in the room, I think we would be fine.

So I think the problem here is whoever is causing the problem is not listening to what I'm saying, but --

MR. OGATA: Mike, can you hear us?

MS. ROCCHIO: This is Judy Rocchio --

(Off-the-record technical testing.)

MR. OGATA: Hello, excuse me, this is Jeff Ogata, can you hear us?

MR. NOTAR: Yes, we can.

(Parties speaking simultaneously.)

MR. NOTAR: This is John Notar. As I said, we want a permit condition that is --

MS. ROCCHIO: I'm hanging up, this is ridiculous. Goodbye from Judy Rocchio.

MR. CARROLL: John, this is Mike Carroll on behalf of the applicant. I heard you, and we don't have any problem with that.

(Parties speaking simultaneously.)

MR. CARROLL: Okay, whoever just came back on the telephone you need to stay on the telephone if you want to participate in the call, because we haven't been able to hear each other for the last ten minutes because we've been listening to your background conversation.

MR. OLIVER: Hello. This is John Oliver. My wife is brittle diabetic and she's crashing on me. I've got an emergency on my hands.

MR. CARROLL: Okay, you're going to have to hang up then, sir. I'm very sorry about that, but you'll have to hang up if you have something

else that you need to deal with.

MR. OLIVER: Is there any way I can get back to you once this crisis is over?

MR. CARROLL: Absolutely. Call back in after it's over.

MR. OLIVER: The 800 --

MR. OGATA: Yes, the 888 number, sir. You just call that and you can get reconnected.

MR. OLIVER: So I'll be reconnected?

MR. OGATA: Yes.

MR. OLIVER: Thank you very much. I'm sorry this happened.

MR. CARROLL: So are we.

MR. OLIVER: I'm very sorry; it's a matter of life and death with her.

MR. OGATA: Sir, go ahead, please take care of it.

MR. OLIVER: Thank you.

MR. OGATA: Okay, I'll try. This is Jeff Ogata. We hung up on our end and reconnected because apparently you couldn't hear us either, so we're back on line here.

MS. JOSEPH: This is Shari Joseph, concerned citizen. Can we kind of back up about five or seven minutes, because a lot of

conversation that's important was lost.

MR. QUINTANA: Mr. Ogata, this is Superintendent Ernie Quintana. Did you hear my objection and concerns stated earlier?

MR. OGATA: I'm sorry, no, I didn't.

MR. QUINTANA: This being done by conference call does not seem to be working. I highly recommend that the CEC Staff come down to the site, southern California, and meet with us at that location. I think we may have even lost others that had been on the conference call, as well.

TELEPHONE SPEAKER: I'm still here.

MR. CARROLL: This is Mike Carroll, at the end of the call if that needs to be done, that's fine. But let me suggest, you know, that we continue to proceed here. I mean I think we were actually doing fine up until that little bit of a crisis, and I think we're fine again.

TELEPHONE SPEAKER: I agree.

MR. CARROLL: So, let's try to make this as productive as possible and proceed.

MR. NOTAR: I also agree. This is Denver National Park Service. I think we've addressed BACT. Let's move on to the next issue.

MR. CARROLL: Okay.

MR. OGATA: Okay, just a minute. This is Jeff Ogata. Keith Golden, our CEC Staff person, has a question.

MR. GOLDEN: My name's Keith Golden, CEC Staff, air quality staff. Two questions. One of them to the Air District. Have you considered looking at a throttle governor on this turbine to its output that could perhaps limit flue gas exit temperature, so it would be in a window of a hot SCR? Say an 80 percent load, 75 percent load.

MR. YEE: This is John Yee. We did receive some information from -- we did look at what we call throttling vane, and we have some charts that were representative for a Siemens Westinghouse unit.

There could be some significant temperature loss through the exhaust; that was specific to that Siemens Westinghouse unit. There was significant power losses though, I would mention.

MR. GOLDEN: But could it apply to this model turbine?

MR. YEE: We haven't researched whether or not the F-7A could be modified in that fashion

to actually have a throttling vane.

MR. GOLDEN: Well, I would suggest that you may want to look into this when you make your BACT determination.

MR. NAZEMI: Moshen Nazemi, South Coast. I think it would be important that we would consider under what circumstances the units are to be operated to. I guess this is the case, and this project is not whatever megawatt project it was to be, is that CEC's position?

MR. GOLDEN: I'm just looking at this as a means of taking a look at other, making sure we explore -- Keith Golden, CEC Staff -- that we're exploring all possibilities about not using hot SCR, and this is just one potential option.

I mean there's other options that we could explore that would probably clearly not be in the interest of all parties, being why don't they use a different model turbine, like a 7E turbine instead of 7-FA, but that's not the size turbine that they're proposing. And certainly there would be some megawatt loss. But it certainly would reduce significantly the emissions if we could get this temperature window down by maybe 50, 75 degrees. We're not talking way out

of bounds here, as far as the temperature window.

And I'm just stating this as my observation. It's not the CEC position. But it certainly is an option that I think needs to be explored.

MR. NAZEMI: Don't take me wrong. I'm not suggesting that we shouldn't look at it, but I was just inquiring about what size project are we looking at. Obviously, if it's operated at 50 percent load only there would be a lower temperature and there will be other options to run. And it's not the same project as the CEC is considering in terms of the megawatts.

MS. HEREDIA: This is Joan Heredia from URS. The other thing that I might add in response to that is, as noted, there would be a loss of power. The other idea is that you're working with a dry low NOx system here. And as you go down in load it is harder to maintain control of the system.

And actually what you see when you get to 50 percent load profile is that the machine actually can no longer achieve even 9 ppm, and you will see the NOx climb.

MR. GOLDEN: Keith Golden, CEC. I would

agree with that, Joan, but I think it needs to be explored at the various load profiles and exit temperatures going out of the flue gas, be able to ascertain whether a throttling mechanism could be employed here.

Now, the issue about what the total megawatt output, that's a separate issue in my mind. I'm looking at strictly the air quality implications of the project. And certainly under CEQA a throttling mechanism that would get this project within a temperature window of a hot SCR could easily be considered a feasible mitigation measure if you're looking strictly at the air pollution impacts.

It's a separate issue whether you're talking about what megawatt loss is looked at, and ultimately that may not be acceptable to the decision makers, who knows. I'm just bringing this as an option.

Certainly we could look at, I think the District needs to be able to take a look at the various load levels. Yeah, maybe 50 percent load, yes, the DLNs are not going to work to the highest efficiency. But what about 70 percent load? What about 75? Those are issues that need to be --

MS. HEREDIA: Keith, this is Joan again. The other thing that I might offer up, too, is I'm not so sure, as well, that the heat rate doesn't decrease at the decreasing load. So, in essence, you know, there's the potential that we would have to burn more natural gas in order to, you know, be able to generate equivalent amounts of power. And I think that that is one of the trade-offs that would need to be considered, because obviously natural gas is a resource that we want to take into consideration, as well.

MR. OGATA: Okay, anything else, Keith?

MR. GOLDEN: Yeah, one other issue on BACT, and it seems to have been lost, -- again, Keith Golden, CEC -- is CO, carbon monoxide BACT. I have heard no discussions whatsoever by any parties, by the Air District, specifically about whether an oxidation catalyst would be considered BACT for this project. And whether they're considering oxidation catalyst for BACT on this project for CO and VOC reductions.

MS. HEREDIA: This is Joan Heredia, and, John Yee, I'll open this up to you, but I have had a request from the South Coast Air Quality Management to address the issue.

I might note in regard to the CO BACT issue that the California Air Resources Board guidelines specify that levels of 6 to 10 ppm CO constitute BACT.

Our project is proposing a 7.2 ppm limit. And I might also add in this instance that CO is an attainment pollutant in the area that we're in.

MR. GOLDEN: Well, I just would make sure that this issue isn't lost in all the discussions -- again, Keith Golden -- in all the discussions about BACT, because BACT applies to more than just one pollutant here. And most of the debate has been about NOx, but there's a couple of other pollutants, CO and VOC that need to be addressed.

MS. HEREDIA: Again, this is Joan. The BACT issue was raised by the Park Service, as stipulated at the beginning of the call, in regard to potential impacts at the Park. That would gear this conversation towards NOx.

But I do hear what you're saying, Keith, in that CO BACT will need to be addressed as part of the South Coast determination of compliance.

MR. OGATA: This is Jeff Ogata. Moshen

or John, do you have any comments?

MR. NAZEMI: That's one area that we're looking at.

MR. HABER: This is Matt Haber at EPA. One comment at this time on CO BACT is that we think that the lowest achievable emission rate is probably the rate of 2 ppm. So in a federal BACT analysis that analysis would need to include that as the starting point.

MS. ROCCHIO: Hello, this is Judy Rocchio back on line. And I have a comment related to the VOC BACT. The National Park Service is experiencing high ozone concentrations at Joshua Tree National Park. The area is in nonattainment, and VOC being precursor to ozone, I would believe that we would also want to achieve the lowest possible VOC emissions.

And maybe, Matt, you could tell us what those are?

MR. HABER: This is Matt Haber, again. Offhand I'm not positive, but I think the range, again, is about 2 ppm, the lowest rate that we've seen achieved for gas turbines.

MS. HEREDIA: And this is Joan Heredia from URS. That is the value which we are

proposing for the project. And so therefore we feel that we've more than adequately satisfied BACT for VOC and don't anticipate that this is a controversial issue at this time.

MR. NAZEMI: I'm sorry, Matt, what did you say, what -- this is Moshen -- what level did you say constitutes LAER?

MR. HABER: -- rates --

MR. CARROLL: What was that, again?

MR. NAZEMI: Thank you.

MR. OGATA: I'm sorry, Matt, could you say that again? This is Jeff Ogata. We missed it.

MR. HABER: We think that 2 ppm is about the lowest achievable rate that's been achieved for gas turbines.

MR. OGATA: Okay, this is Jeff Ogata. Any other questions or discussion about BACT?

Okay, if not, let's move on to air quality related values. And again, I'll ask the Park Service to kind of again summarize their concerns in that area, please.

MR. QUINTANA: Mr. Ogata, before we move on, this is Ernie with the National Park Service. One final item, or one final question for staff.

MR. OGATA: Yes.

MR. QUINTANA: I understand that the chief criteria for an expedited license under section 25552 is that best available control technology meet certain standards.

The applicant is proposing NOx levels and CO levels that are above those standards. I was wondering what is the position of the staff on that particular criteria?

MR. OGATA: This is Jeff Ogata. The BACT determinations we leave to the Air District. And they do that in consultation, they have been doing that in consultation with the California Air Resources Board and Federal EPA.

And the applicant has had discussions with all those agencies and there has been some kind of an agreement on that issue. And the Commission doesn't get directly involved in that.

So, I think the information that you're going to receive from the applicant will hopefully help to clarify that for you. And certainly I invite you to talk to Matt Haber or other folks at EPA to find out more about EPA's viewpoint on that issue.

MR. QUINTANA: This is Ernie, again.

Then I'm assuming from that response that the criteria, there are exemptions then to the criteria for expedited process under the law?

MR. OGATA: Well, there aren't exactly exemptions. But the BACT determination for this particular project is going to be done by South Coast Air District. And if they're saying that BACT is 9 ppm for this project, then that's the determination of the agency that has jurisdiction over that issue.

MR. QUINTANA: And how does staff intend then to respond to the request for expedited license and ultimate licensing if it still exceeds the criteria?

MR. OGATA: Well, if it doesn't meet the criteria then I would assume that staff would state that to the Committee and the Commission, that it doesn't meet the criteria, and therefore it shouldn't be permitted.

MR. CARROLL: This is Mike Carroll on behalf of the applicant. The only other thing that I would add is that one of the Governor's executive orders does suspend the criteria on the four-month track to the extent that it would inhibit addressing the emergency.

So I don't know if I would characterize it as an exemption exactly, but there has been a suspension of those requirements to the extent that it impedes bringing generation online consistent with the Governor's executive orders.

The only other thing I would add is please keep in mind we are talking about a roughly 12-month window of operation here. This is only during the simple cycle mode that these questions even have any relevancy. And I think it's important to keep this all in context.

MR. QUINTANA: This is Ernie. I think it is in context because the applicant is applying for this power plant under the expedited process. And it seems to be from what we're hearing perhaps it should go with the full 12-month review. So I think it is very applicable, just another point of view.

MR. OGATA: This is Jeff Ogata. Mr. Quintana, we certainly appreciate your point of view. I'm going to indicate that I don't necessarily agree with Mr. Carroll's perspective that he just indicated. But, again, I don't want to get into that debate right now. We're trying to get to the factual issues, and I don't think we

need to kind of debate the legal issues.

The Committee has made a determination that this project at this point in time should stay within the expedited process. That does not mean that at the end of the process they're going to come out with a recommendation that this project should be licensed. It may be the recommendation that this project needs to go to the 12-month process.

I mean those are all factors that the applicant has also considered in its request to continue to move forward in this process. So, you know, the staff position coming from the Executive Director, was that we felt that this project, at this point in time, met the criteria to proceed.

But staff will have to continue to do its analysis; and at the end of the timeframe, the recommendation may be that it not be permitted. So, you know, I don't want to get into those issues right now.

Again, we're trying to do some fact finding here, and try to clarify data that we need to do the analysis.

MR. NOTAR: This is John Notar in Denver. I would -- one of the people here, John

Vimont, has to leave in just a few minutes. I would really like to bring regional haze to the table right now.

MR. OGATA: Okay, well, if we have no other discussion about BACT, let's move on to that.

MR. NOTAR: Okay. Our concerns on Monday was that we feel that the regional haze calculations performed with CALPUV were incorrect. They are slightly under estimating impacts because of the way they characterize the particulate emissions coming from the stack.

We believe that they were applying a average size of around PM10, which is 10 microns. And the indication that we have from research and stuff is that a much smaller particle size should be used.

This will affect the way visibility impacts to regional haze are calculated.

MS. HEREDIA: This is Joan Heredia for the applicant. We have spoke with Ralph Morris, who's on the line, and did the CALPUV modeling. And I believe you have had discussions with Ralph in the past, John.

What we would propose is that we would

go back and revisit that modeling, considering it to be PM2.5, since that might be the most appropriate standard. Well, I mean there isn't even 2.5 standard at this time, but that might be a more appropriate indicator for us at this time.

Would that be acceptable to you?

MR. VIMONT: This is John Vimont, National Park Service. The other portion is the back end of the calculation as to whether the scattering efficiencies applied to the primary particulate.

And, again, we can have some discussion at a later time. I guess just for the record now all indications are that it would probably be carbon coming out in some form, which would have a different light scattering efficiency than would the assumption that it was all a soil-type particle.

MS. HEREDIA: Ralph, can you maybe help me out here? Ralph Morris, are you on the line?

MR. MORRIS: Yeah, I'm here.

MS. HEREDIA: Okay.

MR. MORRIS: Had my mute on. This is Ralph Morris from Environ. I guess we should look at some speciation profiles for natural gas units

and come up with a recommendation and run that by the Park Service.

MR. NOTAR: We agree with that, Ralph, that sounds --

MR. OGATA: I'm sorry, who is this?

MS. HEREDIA: That was John Notar?

MR. NOTAR: That's correct.

MR. VIMONT: This is John Vimont, again. That sounds fine here from my perspective. I think we can -- Ralph and the rest of us can talk on that.

The other question we did have was the PLUVUE analysis that was done, and again we haven't had a real chance to go through in detail what was in the reports, but what's been summarized was -- worst case meteorology, mean stability in 1.5 meters per second.

We're not sure where this came from. It is not consistent with what a normal PLUVUE analysis would look like. Should have a frequency distribution or actually running through all of the actual wind speed and directions that were available for the site, --

MS. HEREDIA: This is Joan Heredia, again, from URS. The analysis, first of all, the

analysis was done in conjunction with a gentleman by the name of Will Rogers -- I mean Richards, pardon me, who helped us as an integral part of the team to do this analysis.

And the reason that we involved Will is that he has significant experience with PLUVUE, and I understand actually helped compile some of the codes for that model.

We relied upon him to assist us in the analysis of the meteorological data. And what I might draw your attention to is the appendix M-9 as part of the AFC where there are several windrows as well as calculations that show frequency distributions for various stabilities and wind speeds as a function of season.

The approach taken by URS was to look at five years worth or onsite met data and look at the frequency with which certain, well, wind direction upon which there would be potential impacts in the Park Service, and under what stability and wind conditions that occurred.

When you look at appendix M what you will see is that E and F frequencies are very rare, in part is why there's a wind farm in that area. And were less than 1 percent of the time

where the wind would be blowing towards Joshua Tree under those stabilities.

I do understand that there were discussions with Mr. Notar, as well, that the F stability class was an unrealistic expectation. And, John, if I'm putting words in your mouth here, please feel free to jump in. In large part because the project is located down in a valley, and the parks are located on more elevated terrain.

And given that, and in conjunction with the fact that both wind under those stabilities class does not blow towards the parks very frequently, those were ruled out.

What we did see, however, is this under -- stability class that there would be potential -- oh, I guess I'll just -- talking over the ringing phone here.

MR. CARROLL: Keep going.

MS. HEREDIA: There would be the potential for winds to go towards the Joshua Tree. And in essence, when you look at appendix M what you will see is that frequently that's under wind conditions in excess of 6 meters per second.

And in fact we felt the analysis, or URS

felt the analysis was very conservative, because consideration was given to D stability class at a one to two meter per second wind speed.

So there was a very thorough analysis, and I think if the Park Service will pore through the appendix M-9, as well as the detailed discussion in the AFC, hopefully you will conclude that URS tried to be very conservative in our assumptions and analysis for the near field.

MR. NOTAR: Okay, this is John Notar, National Park Service. I agree with some of the statements, and we did send -- four different site path target and observer site paths to be analyzed.

And also in that email I attached basically what was a jpeg file, picture type file, to describe the site paths. We asked that the applicant get back to us so we could discuss what meteorological conditions need to be modeled.

And that exchange of which meteorological conditions be modeled never took place.

We understand that we have, because of the expedited review we do have many other permits throughout the country to review. We haven't had

time to go thoroughly through appendix F. But, as we said, we didn't -- I don't ever recall saying F stability was totally off limits to be analyzed. Might not occur that often out there, but like I told you, we certainly need some more time to take a look at this. And we might recommend that other conditions that do really occur out there be analyzed, other than D and 1.5 meters per second.

MS. HEREDIA: This is Joan Heredia. John, do you think it would be helpful if you spoke with Will Richards to discuss maybe some of the technical details on why we selected the meteorological conditions that we did?

MR. NOTAR: Yes, the Park Service here in Denver, both myself and John Vimont, will discuss this with Will Richards. After all, as you said, Will Richards helped compile the last version of PLUVUE. And the other person involved in the reformulation of PLUVUE was John Vimont.

So, we would definitely like to have that discussion.

MS. HEREDIA: Okay.

MS. ROCCHIO: This is Judy Rocchio, National Park Service. Might I add, when you mentioned that the F stability class would not

occur more than 1 percent of the time blowing towards Joshua Tree, 1 percent of 365 days in a year is still almost four days.

MS. HEREDIA: If I might clarify, it was less than .27 percent.

MR. NOTAR: The PLUVUE analysis is an hourly average; it is not a 24-hour average. So it really, 1 percent would really constitute 87 hours --

MS. HEREDIA: Right.

MR. NOTAR: -- of the 8760 hours.

MS. HEREDIA: I guess, John, rather than discuss statistics on the phone, I would suggest that you take a detailed look at M-9 and see if you would concur after your discussions with Will Richards, that we did select appropriate meteorological conditions.

I just would really like to emphasize that the approach taken by URS was one where the effort was made to be very conservative on our selection of conditions.

MR. NOTAR: Okay. Can you contact Mr. Richards and have him contact both John Vimont and myself, and we will continue that discussion?

MS. HEREDIA: This is Joan. Yes.

MR. NOTAR: Thank you.

MS. MANN: This is Pam Mann. And I'm just wondering about the local citizens in the area. The wind is almost constant out here.

MS. HEREDIA: This is Joan Heredia. Maybe as a point of clarification, what our discussions, to some degree, are centering around is that typically what we see is worst impacts when the wind isn't blowing. And so the discussion that we have been having has been about the fact that URS took into consideration times when the wind would not be blowing that much.

Your point is well taken, and in effect, if we look at the higher wind speeds, that would potentially lead us into a different stability class, which would lead towards saying that we have less impacts.

So your point is very well made in that the predominant situation that would be anticipated would be that we would have less impacts potentially than what is being predicted with the conservative assumptions that were taken into consideration.

MS. MANN: Thank you.

MR. OGATA: This is Jeff Ogata. Anyone

else have any comments about this issue?

MS. JOSEPH: Yes, Shari Joseph, concerned citizen. I kind of want to back up what Pam just said. That the times that the wind is not blowing toward Joshua Tree it is blowing into our populated, which is becoming more populated every minute, Coachella Valley.

The wind does blow from the west, and that's the direction of the power plant, and it will blow into populated areas. And it does most of the time.

That's where our haze is coming from, is L.A. blowing in.

MS. HEREDIA: This is Joan Heredia. I just might add, you know, at this point we've been discussing impacts at Joshua Tree, and the point is well made that wind conditions would come from a variety of directions.

And what I will tell you is that as part of our modeling we did, in fact, look at five years worth or data where the wind blew from every direction. So that was considered in our analysis.

It's just the discussion today has been somewhat focused on Joshua Tree. But we have

looked at impacts from the facility when the wind was blowing in every conceivable direction over a five-year period.

MR. CARROLL: Jeff, this is Mike. Can I interrupt just for a moment. Joan and Bob, I need to sign off at this point. I think we're largely into technical issues anyway. But I just wanted to let you know that I'm going to be dropping off at this point.

MR. OGATA: Thank you, Mike.

MR. HREN: Okay.

MR. CARROLL: Thank you, everybody.

MR. OGATA: This is Jeff Ogata. Any other discussion about this issue?

Mr. Notar, maybe you can talk about the increment concern that you had?

MR. NOTAR: Okay. There's two increment issues that we have, the National Park Service has. One is the PM10, 24-hour increment, class 1 increment.

Your impact was on table 5, I think, .3 or .2. Impacts were .34 mcg for a 24-hour average. EPA came out with, back in 1996, with a Register notice that was presented Monday, that the significant level is .3 mcg for the 24-hour

PM10 average.

And the meaning of exceeding that value is that it puts the applicant into a cumulative increment analysis. And that would be for the class one area.

Therefore we request a cumulative PM10 class one increment analysis for PM10 increment -- sources in the area.

And the second issue is the NO2 annual class one increment. The EPA class one significant level for the annual NO2 class one increment is .1 mcg per annual average. And the modeling indicates there's a slight exceedance of that value.

One question I guess we do have is that was done with the ISC model, and at that distance that's the correct model to use. We are asking was a method to take ozone interaction with the NO emissions taken into account -- was ozone limiting applied, or is this assuming 100 percent conversion? It's a question to URS.

MS. HEREDIA: This is Joan Heredia. A couple of things that I would like to clarify. One is the Federal Register notice which Mr. Notar is referring to, I would like to clarify, were

incorporated as part of -- appeared in the Federal Register as part of proposed new source review reform.

The new source review reforms have never been officially adopted in the Federal Register.

That said, I do understand that the Park Service has been applying these limits kind of de facto without them being finalized.

So I, you know, do acknowledge that this is something that has been used, but would clearly like to state that this is only part of a proposed reform in the Federal Register that was never actually adopted.

Secondly, in regard to PM10, I will note that increment consumption is generally referred to as part of prevention of significant deterioration or PSD requirements, which apply in attainment areas. We are in a PM10 nonattainment area, and will be providing offsets for the project.

But I guess just in general it would be typical that for a pollutant that is in nonattainment and therefore not subject to PSD, an increment analysis would not be required.

And maybe I can ask EPA or South Coast

to confirm if that's their understanding, as well.

MR. HABER: This is Matt Haber at EPA. I guess I can verify and expand on a couple of things that Joan just said.

It is correct that levels that the Park Service has been referring to are proposed regulations. But what I thought might be helpful, if I stand back a little bit, what the meaning of the currently applicable regulatory requirement, which is applicable in all areas of class 1 and class 2, class 3 for that matter, which is 1 mcg per cubic meter, which is a requirement above which a cumulative impact analysis is required. But the permitting authority does have the ability to request a cumulative impact analysis even if levels don't exceed that level.

So similarly, even though EPA has not adopted these levels, it may be appropriate to have the analysis conducted, since they do fall right around the levels that existed in their proposal.

And on the PM10 issue, again I think there's a similar situation that because the source is located in a nonattainment area, they're generally not required to perform an increment

analysis.

So as I understand it, Joshua Tree, where the impacts would be, is an attainment area, and emissions from the proposed source would consume increment there. So there's a question as to the need for somebody to do an analysis ultimately of that and other sources.

So whether this might be the appropriate venue is a call that the District should make.

MS. HEREDIA: Anybody from the District care to speak?

MR. NAZAMI: This is Moshen Nazami. We don't have our modeler experts here, but generally speaking, I think I concur with Matt to the extent that we are only requiring what is in the final regulations. And there are a number of cases where there are proposed requirements that we legally cannot enforce those requirements into a permit evaluation. And therefore, I would concur that we look at the 1 mcg per cubic meter as what's the applicable standard here for a class one area.

As far as the impacts, I think typically we have looked at the location of the source, and determined whether the source is located in a

attainment or nonattainment; and based on that we would make a determination of whether it's a PSD analysis or it's a nonattainment new source review analysis.

We are willing to talk about specific case here to see whether or not there is a significant contribution of this source to the nonattainment area, and decide whether that should be done in this case -- sorry, to the attainment area, and decide whether that should be done or not.

Again, that's not our standard operating mode, that we would look at the source, itself, because once you look at the impacts there is quite a large area that any source's impacts could be transferred to, and then you get into the transport discussions from even between the Districts, not just one area or not.

And I think it would be difficult then to narrow it down to one source that has a lone impact on that area. It's more of a regional impact, not an individual source impact.

MS. HEREDIA: This is Joan Heredia again. If, in fact, the project is to look at compliance with the one microgram per meter cubed

criteria, I would like to note that our modeling indicated that we would have impact in the Joshua Tree area of, it was less than 1 for both NO2 and PM10. And in fact, the PM10 was .34, which is obviously less than 1. And the NO2 was .106, which again, is less than 1.

So if that is to be the criteria, then based upon what South Coast just said, there would not be a need to do an increment analysis for the project, which is consistent with the approach taken in the AFC.

MR. HABER: This is Matt Haber. I just want to clarify again the difference between a regulatory requirement that said you must apply without discretion and action said South Coast District, as the permitting authority, has discretion to require, and needs to take into account specific other factors.

The one microgram level above that a cumulative impact analysis is required. But below it, the District does need to consider whether there are times that that should be required.

In addition, as PSC permitting authority, the District has the responsibility to insure that increments won't be violated in any

case, even if there isn't a particular project in front of them for review.

So, my recommendation would be they're in conjunction with this project, or if that's for some reason not feasible, very shortly thereafter it would make sense, especially given the Park's concerns, to have that analysis conducted at Joshua Tree.

MS. SHAVER: This is Kris Shaver with the National Park Service. I'd like to second what Matt just suggested.

I want to point out a couple things. One, the proposed regulation is just proposed, but I do agree that the District has not only the authority, but also perhaps in this case the responsibility, to consider cumulative analyses below those impact levels.

I mean the reason the significant impact levels are proposed substantially lower than they had been is the increment, the significant level by regulation is 1 mcg, where the increment is 8.

We're looking at, you know, five permits around Joshua Tree as it is right now. So, if each permit applicant is allowed to get up to one mcg per cubic meter before anybody looks at the

combined effect we could quite easily pass the increment in no time at all.

Similarly with the NO2 increment, it's 2. And we're talking about a significant impact level of 1.

So, it's clear that those impact levels don't make sense when you're looking at impacts on class one areas, particularly where there's a lot of growth.

So I would strongly encourage the District to insist that that type of analysis be done, if for no other reason than you don't create a problem that you're just going to have to go back and correct later.

MR. NAZAMI: This is Moshen Nazemi again with South Coast. I don't think that -- maybe I was misunderstood. We're not opposed to any type of an analysis to look at cumulative impacts, but typically in a case where a project is in front of the CEC as the lead agency, I think it may be a more appropriate position for the CEC to look at it, since this is a CEQA equivalent process, and CEQA does require a cumulative impact analysis.

It would be more appropriate for the CEC to make that into consideration. And if EPA,

Federal Land Management or CEC has any requests to conduct this, I don't -- I mean South Coast is not opposed to doing this at all. In fact, we think it's a good thing to do.

I was just simply stating what our practice has been.

MS. HEREDIA: This is Joan Heredia. One other thing that I just would like to, you know, to just kind of put this in order of magnitude so that we can have an understanding of what we're talking about.

Even with the proposed low values that the Park Service is suggesting we apply to the facility I will note that the annual NO2 significance criteria is .1 mcg per meter cubed.

The project result was .106 mcg per meter cubed. So really we're not really exceeding that by a significant margin. And one might even say within the realm of the accuracy of the model we are probably right about equivalent and not exceeding.

Similarly, for PM10, the proposed Park Service is .3 mcg per meter cubed; the project is noting a potential impact of .324.

So, I guess what I would like to suggest

is that prior to requiring the applicant to do a increment analysis in a nonattainment area, using low proposed Park Service values, that that fact needs to be taken into consideration, that there really is not that much of a significant impact.

MR. NOTAR: This is John Notar, Park Service, Denver. I would like to also point out on say for a 24-hour PM10, that modeling only includes the primary particulate coming out of the stack. It does not include the secondary nitrate particles which also are considered to be PM10 once they turn into a particle.

MS. HEREDIA: As part of the PM10 emissions -- never mind.

MS. JOSEPH: Yes, I'd like to add a note or underline something. I'm sorry, this is Shari Joseph, concerned citizen.

That one of the folks there from the Park Service mentioned, and I want to reiterate it and underline it, that there's already a plant here. This is going to be a second one. And we do understand that there are three more possible that are going to be built in this Valley.

So, all of them together, even if each one is under control, all of them together are

going to equal something significant, not only to Joshua Tree, but again to the citizens who live here.

MS. MANN: This is Pamela Mann and I am totally in agreement with Shari.

MR. OGATA: Okay, this is Jeff Ogata. Anything else from anybody else here on this issue?

Keith.

MR. WALTERS: This is Will Walters; I'm doing the air quality analysis for CEC. My comment is kind of related to this in the fact that we did have two data requests specifically asking for cumulative impact analysis, and I believe there is also a finding from the Commission that one would be done.

So I wanted to at least address Moshen's comment that the CEC should be the lead on that. And, in fact, we have requested it.

I also believe that the applicant is waiting for some data from AQMD to be able to do the cumulative analysis. So, I wanted to bring that up, and just make sure that that would get done as soon as possible.

MS. HEREDIA: This is Joan Heredia.

What I would say is that the applicant is committed to doing a cumulative visibility analysis. That has clearly been requested by the CEC. And our intent is to look at that.

And I guess I'm kind of getting a little bit ahead of the agenda and kind of proposed actions, but I will offer that it is our intent, at this point, that we will revisit the visibility modeling far field analysis using CALPUV, and that we intend to do the cumulative analysis.

And we have put together a proposed list of those sources which we would include. And it is suggested at this point that it would be the Indigo or Wildflower project, the Mountain View project and then there is the Torres-Martinez project, which is the Calpine project on the Indian reservation.

So, it is our intent to do a cumulative visibility analysis for the project.

MR. OGATA: Okay.

MR. NOTAR: Okay, I have received -- this is John Notar, Park Service, Denver -- I received a map via email, I believe, from somebody from URS --

MS. HEREDIA: That is correct.

MR. NOTAR: -- regarding a, and it says at the bottom, cumulative visibility and it's a GIF file. And on there you have a couple other power plants we weren't even aware of. High Desert and Otay Mesa?

MS. HEREDIA: What we attempted to do there, John, was identify graphically for the Park Service all power plants that we knew of that were in the area, based upon review of the CEC website, as well as based upon public input. And we added the Torres-Martinez project because that was raised during the CEC meeting last Monday evening, and we wanted to be responsive to the citizenry who had suggested that that was another source that we should look at, and we do concur.

On High Desert, Blythe and the Otay Mesa project, I mean Otay is down in San Diego. And if you look at that GIF file, the reason that it was -- basically it shows terrain graphically. So the idea there was to show you where everything, where all potential projects are located.

And then to have you make some concurrence on those sites which would need to be included in the modeling. And at this time URS is proposing that it would be the Indigo, Mountain

View and Torres-Martinez, but not High Desert, Blythe or Otay, based upon their geographic locations.

MR. NOTAR: I agree with you on the Otay Mesa and the Blythe plant. We'll have to further investigate High Desert. By the way, how large is High Desert? What are the tons per year?

MS. HEREDIA: I believe, but I'm not positive, that the High Desert project is around a 500 megawatt project. Maybe somebody at the CEC could provide clarity on that issue?

MR. GOLDEN: Keith Golden, CEC. I believe that's correct, 500 to 600 megawatts, similar technology, Frame 7S.

And as long as I'm on the line here I want to interject, Joan, did you investigate any of the peaker projects in the Chino area? I'm aware of at least one peaker project that is on the 21-day process. They got approved, and it's under construction. I believe it's Pegasus or at the state prison there or something.

Did you take a look into that one being added to that potential list, as far as evaluating all potential projects?

MS. HEREDIA: We can go ahead and look

at it. What size would that be, Keith?

MR. GOLDEN: I think it's over 100 megawatts, I believe. It's two or three LM6000s, three LM6000s, I believe. I'm not really familiar with that. I just know that there's at least one project in that region, and there may actually be two. And all of them are shown on the CEC website under the peaker project portion of the website there.

MR. NAZAMI: The Chino -- this is Moshen Nazami with South Coast -- the Chino project is known a the Pegasus project, and it's proposed 180 megawatt project.

MR. GOLDEN: 180 megawatts?

MR. NAZAMI: That's correct.

MR. WALTERS: This is Will Walters. I'm looking at the CEC website right now. There's also a couple of other approved projects in San Bernardino County. They look like they're very close to each other, and close to High Desert. And there's also the High Desert II project, which is another peaker.

I think all should be considered. The two -- I think Century One's are reasonably close to the site, they're as close as High Desert is.

They're both 40 megawatts and High Desert peaker is 450.

MS. HEREDIA: We would be -- URS would be glad to look at those other smaller projects. But I guess just given the proximity relative to their size, it seems to me that it would not be anticipated that they would have much impact in the Joshua Tree area.

MR. NOTAR: I also would like to inquire about the Coachella Valley Cement Plant that was permitted about two years ago. Would that be included in the cumulative haze analysis?

MS. HEREDIA: John, you had mentioned that to me and I couldn't find any information on that project.

MR. NOTAR: Okay, does South Coast know anything about that? Because we reviewed it here, and it was about two to three years ago. And it was on the south side of Joshua Tree, somewhere near the I-10. I have not had a chance to really dig into the files again on this, but it was reviewed by this office.

MR. NAZAMI: John, this is Moshen Nazami of South Coast. Was that a new plant?

MR. NOTAR: Yes, it was. Once I dig

into my information maybe I can get you some more.

MR. NAZAMI: Would you, please, because I don't remember seeing any new cement plants being built in that area.

MR. NOTAR: All right.

MR. NAZAMI: And also while I'm on the phone, one of the staff members at CEC indicated that somebody's awaiting information from South Coast to conduct cumulative analysis.

I would like to know who the information's been requested from so I can expedite it.

MS. HEREDIA: This is Joan Heredia. We're a little bit mixing and matching cumulative analysis terminology on this phone call.

The CEC requires that we perform a cumulative analysis for all reasonably foreseeable projects. Generally URS will request from the South Coast, which we have done and have received some information, Moshen, in regard to projects which have recently received permits, or have submitted applications and are soon to receive permits.

That's typically the quote/unquote "CEC cumulative analysis." And that information has

been requested, and we did receive some information back from the South Coast.

This conversation is geared towards a cumulative analysis where we would be looking at all potential, I guess, increment consuming sources in the area. And so that dateline is much broader than what typically would be required for the CEC quote/unquote "cumulative analysis."

And we have not requested information from South Coast by virtue of the fact that -- please don't take this badly, but we want to try to move this along as quickly as possible. And the thought was that it was better to try to explore this on the phone, since this is an issue that's recently come up, than try to go, at this point, through a Freedom of Information Act request with the South Coast.

All that said, we definitely will want to work with you in regard to obtaining the information on the Pegasus project and other projects that are in your area. But we had felt since much of this information is public information from the CEC website, that our first approach was going to be if URS could obtain this just from the website information so that we could

get our hands on it as quickly as possible.

MR. NAZAMI: Okay, that's fine. I was just reacting to the statement made by CEC Staff that they're awaiting information from South Coast.

MS. HEREDIA: Sure. But, Moshen, you can definitely anticipate that I will be -- once it seems like we've kind of identified at this point, if I can maybe summarize, because I would like to be as specific as possible so that we can get moving. It sounds like it is agreed we will do Indigo, Mountain View and Torres-Martinez.

What I heard John Notar say is that he may want to give further consideration to the High Desert project, of which I would anticipate, John, that you will also look at those peakers that are close to the High Desert project to see if you feel that those need to be included.

And then it seems like the other item that we have added is that URS will mostly likely need to look at the Pegasus project.

Is that a good succinct summary?

MR. NOTAR: Yes, that is. I guess -- I agree, yes, that is a good summary.

MR. HABER: This is Matt. I wanted to

ask a question. Is the Torres-Martinez project the same as the Tiowa project?

MS. STANFIELD: Yes, this is Sky Stanfield from CURE. That's the same project.

MR. NOTAR: This is John Notar, Park Service, again. Where can I get information on these quote "peakers" near High Desert? On the CEC website, or South Coast website, or --

MR. NAZAMI: This is South Coast. The High Desert project is not in South Coast District. You need to contact Mojave Desert Air Pollution Control District.

MR. NOTAR: Thank you. And would those also include the peakers surrounding High Desert, the Mojave office?

MR. NAZAMI: That would be correct.

MR. NOTAR: Thank you.

MS. MANN: This is Pam Mann and I'm wondering if we can request, as citizens, the cumulative assessment?

MS. HEREDIA: This is Joan Heredia. As we do this assessment, it will become a formally docketed item, which will be available to the community for review. Does that respond to your question, ma'am?

MS. MANN: Yes, thank you.

MS. JOSEPH: This is Shari Joseph, another citizen. Where will that document, and when would that document be available?

MS. HEREDIA: Well, maybe that's best for the CEC to answer. But, I'll take a stab at it.

Currently we are aiming for the lofty goal of August 10th for filing the assessment. That would be docketed with the California Energy Commission. And maybe the Public Adviser can speak to this, but I would anticipate that it will appear certainly in your local library and other places where the CEC makes such information available to the public.

(Off-the-record telephone conversation.)

MR. OGATA: This is Jeff Ogata at the Energy Commission. With respect to any documents that we get here, we attempt to put them up on the web the same day we docket it. And then we'll send them out to all the different places. So, obviously, you know, it will probably appear on the web sooner than physically in the local libraries.

And if you're on our list of people to

get documents, you'll get it directly.

MS. JOSEPH: Thank you.

MR. OGATA: Okay, any other comments about this issue?

MR. OLIVER: This is Jane and John Oliver. Our crisis is over. And I do have some questions after you people get settled here.

MR. OGATA: Okay, Mr. Oliver. We'll continue on, and at the end we'll get back to you and have you ask your questions then. Is that okay?

MR. OLIVER: Sure, that's fine.

MR. OGATA: All right, thank you.

MS. ROCCHIO: This is Judy Rocchio with the National Park Service. Related to the cumulative impact analysis I'm understanding that you're going to be doing the cumulative analysis for visibility only.

My question is will that include all increment consuming sources, or will it only include the power plant sources in the area?

MS. HEREDIA: In actuality we were looking at the power plant projects as those which might have the most similar profile and potential for impacts within the Park Service -- but

definitely we will include the cement plant if we can get clarity on where it is and the potential for it to impact the project.

I have not identified other increment consuming sources in the Coachella Valley.

MS. ROCCHIO: Okay, and this is maybe off the wall, and I know it's not a final project, but it is a proposed project, and that is the Eagle Mountain landfill, which is a major NOx source.

MS. STANFIELD: This is Sky Stanfield from CURE. It seems like there keeps on being sites that are being added to the list of things that should be looked at.

Is there a way through the Air District or something to identify all the sources in the area to decide what should be used in the analysis, rather than every time somebody remembers a project, it gets added to the list?

MS. HEREDIA: I guess, Moshen, the question to you is can the South Coast Air Quality Management District provide to the applicant increment consuming sources for NO2 in the Coachella Valley?

MR. NAZAMI: This is Moshen. We have

done that for CEC projects, understanding what typically the request we have received in the past, identified a radius for which they want to know which sources are located.

I mean if we can get a specific request on what radius the sources are being seeked for, rather than just any source in South Coast, I think we can respond to that type of request.

MS. HEREDIA: This is Joan Heredia. It's been my experience that the CEC typically requires a six-mile radius. Would that be an appropriate radius at this time?

MR. NAZAMI: Well, that's what we have typically done for CEC projects, but a lot of these projects you're talking about here are way past the six-mile radius.

MS. HEREDIA: Moshen, I guess is my point exactly, in that I feel that URS is trying to go above and beyond that which is typically required to resolve the Park Service issues.

I feel that if we could say it would be six miles and maybe these additional items; or we could just go with six miles.

MR. NOTAR: This is John Notar, Park Service in Denver. Six miles sounds awfully short

to me. I mean even in a class two cumulative increment analysis you typically go out 50 kilometers with the typical guidelines, say ISC type modeling. Six miles is, you know, an awfully short distance. And I would propose 50 kilometers since, you know, this is really involving an increment on a close source.

MS. HEREDIA: Fifty kilometers is what is satisfactory to the regulatory agencies?

MS. ROCCHIO: This is Judy Rocchio, and, John, aren't you being a little gracious there? It seems like with a class one area within seven miles of the site that we should be looking at 100 kilometers. A hundred kilometers is what is expected of any PSD source. I understand you're not a PSD source.

But for a PSD source you go 100 kilometers out if you're near a class one area. So, --

MR. NOTAR: I was just throwing out the 50 as the minimum even in a class two analysis.

MS. ROCCHIO: Okay, so I would like to propose --

MR. NOTAR: -- what typically is done in a class two is 50.

MS. ROCCHIO: Okay, I'd like to propose 100 kilometers.

MS. STANFIELD: Which means that --

MR. WALTERS: This is Will Walters --

MS. STANFIELD: -- Sky Stanfield, but they're going to need to get a list beyond South Coast, because the air district is the Mojave Air District is going to need to produce a list.

MS. ROCCHIO: Well, that's correct. A few of these sources are in the Mojave District.

MS. HEREDIA: And I guess just the only thing -- this is Joan -- that I would like to suggest is that we work with John Notar or some representative from the Park Service to actually look, as well, at the geographical features of the area so that we can make a learned decision about those sources which we feel need to be included.

Is that a reasonable request?

TELEPHONE SPEAKER: Yes.

MR. GOLDEN: Joan, this is Keith Golden. I would suggest that you need to put together, as we've done in circumstances like this, basically a protocol.

MS. HEREDIA: Absolutely, Keith.

MR. GOLDEN: Okay. And include all

these sources in the criteria that you used before, and then circulate it to all parties for concurrence or additional feedback.

MS. HEREDIA: Okay. My only concern at this point, Keith, is we have an obligation to get back to the CEC by the 10th. I would like, while I understand, you know, we want to do a very, I would like to make sure that we set up whatever agreements we do such that we can achieve that goal.

MR. NOTAR: Is there any way CEC can extend the August 10th deadline so Ocotillo can have more time to do the analysis properly? Otherwise, this is, you know, -- done again, it's not done correctly, so then drag things out further.

If Ocotillo is allowed enough time to the do the analysis correctly then it will be done once.

MS. MANN: This is Pam Mann, and I agree.

MR. OGATA: This is Jeff Ogata. The requirements I think Joan is talking about has to do with the schedule that we currently have in place.

Certainly there is not a problem from our perspective in extending that to make sure that all this analysis is done correctly. That's kind of, again, a call that, you know, the applicant has to make, as well.

They're trying to stick to a particular schedule. In order for our staff to get our documents out on time, you know, we have to rely upon that schedule, as well.

But certainly if they feel like they need a little bit more time to do that, you know, staff is going to need a little bit more time obviously to take that input and turn it around for our analysis.

So, obviously there is a little bit of a domino effect there, but I think we all agree we want to have this done right.

MS. HEREDIA: Jeff, this is Joan. One of my thoughts here is that, you know, currently the way the Committee has written their discussion was that we would be on a day-for-day slip past August 10th.

I am wondering, because I know that at our meeting on Monday the Commission had said that they were going to be coming out with a revised

schedule, if there is some way that we could adjust it such that we have some additional time to do the analysis without being on a day-to-day slip.

Granted, it is a bit of a domino effect, but there are a lot of items that I think that maybe the CEC could go ahead and address, and that we could have some additional time to work this issue out between the PDOC and the FDOC without derailing the rest of the four-month track.

MR. OGATA: Obviously we have done that before in other kinds of cases. We don't like to do that because it becomes more difficulty, you know, for the public to try to follow a case when it's split up.

But we have done that in other cases. I'm not the project manager, so I don't do schedules very well. And, unfortunately he's not here. And our Hearing Officer was here, and she left, so she can't address that, either, at this point.

So all I can say, I guess, Joan, is if we get something, you know, in writing, or sent to me in writing to the Committee to explain the situation, what you're proposing for the schedule.

And then staff can take a look at what we need to do, what you're proposing, and we can chime in with our opinion whether we agree with you or not.

MS. HEREDIA: Bob, do you think that this might be an appropriate course we would like to pursue?

MR. HREN: Well, yes, I would -- Bob Hren, the applicant. I would like to avoid the day-for-day slip. I also would like to have enough time to do the analysis that we're just now being asked to perform.

I'd like there to be time for the Air Districts to identify all the sources that they'd like us to include in that analysis.

And, you know, I think we need to think about submitting the request that was just asked for in writing. I'm sure we'll have to put some kind of time limit on it, and we'll have to think about that, what additional timing we need so we're not saying it's going to take, you know, four weeks longer.

Obviously that would kill the whole plan, the schedule; but some time shorter than that, significantly shorter, might work.

So I think we can talk offline and then

submit that request to the CEC, Joan.

MS. HEREDIA: Okay.

MR. OGATA: Okay, let's see if we can move a little bit more here. Mr. Notar, is there anything else under the headings of air impacts and related values that you need to discuss? Or can we move on to offsets now?

MR. NOTAR: We would like to discuss acid deposition.

MR. OGATA: Okay, let's do that.

MR. CODDING: This is Don Codding with the Park Service.

MR. OGATA: I'm sorry, can you speak a little louder, please?

MR. CODDING: Is that better?

MR. OGATA: Not yet.

MR. CODDING: Am I coming through any better now?

MR. OGATA: That's a little better.

MR. CODDING: Okay. This is Don Codding with the National Park Service office in Denver. The deposition impacts that were modeled that were presented in the documents we've received so far are pretty significant. And we have some concerns about those values, as it is.

However, there have been some questions as we discussed earlier in this call about how that modeling was done. And so in the new CALPUVs that are done, we'd request the total nitrogen and total sulfur be presented in kilograms per hectare per year.

MS. HEREDIA: This is Joan Heredia from URS. I would say that when we revisit CALPUV we definitely would be willing to recalculate the nitrogen and sulfur depositions. The only thing that I would like to clarify was your indication that we had significant impact.

Looking here, using the CALPUV model, the results that were predicted in Joshua Tree are 0.0176 kg/hectare/year of nitrogen, where the significance criteria is 5.

And for sulfur the predicted impacts were .0007, that's three zeroes and a 7; whereas the significance criteria is 3.

So I feel that the project right now is very much below the significance criteria, but URS would be glad to revisit the CALPUV modeling to address some of the concerns raised earlier on the call.

MR. CODDING: Okay. We're looking at

different numbers, then. The numbers I have from page 5, section 2-83 were for nitrogen .20316; and for sulfur .0069370, because it goes out a bit further.

MS. HEREDIA: Okay, but even so, would you concur that the significance criteria is 5 and 3 for nitrogen and sulfur?

MR. CODDING: No, I would not.

MS. HEREDIA: Okay.

MR. CODDING: There's also a discrepancy between what's termed an adverse impact and what's considered a significant number. And any number we get for deposition we'll look at it on a case-by-case basis, what the modeled effects are, what kind of effect modeled or seen within the Park. That's all done on a case-by-case basis.

MS. HEREDIA: Acknowledging it is on a case-by-case basis, can you give us an indication of what you feel an adverse impact in Joshua Tree would be?

MR. CODDING: For an adverse impact I cannot because that's done in conjunction with what the predicted modeled deposition is going to be, combined with what kind of effects from deposition has been researched within the Park.

The numbers -- excuse me?

MS. HEREDIA: I guess I just would like to see some clarification from the National Park Service so that we could have, and maybe I'm being too naive here, but some sort of bright line for us that says we have a problem or not.

MR. CODDING: Okay, yeah, a number to shoot for?

MS. HEREDIA: So to speak.

MR. CODDING: Okay, for nitrogen that's going to be .005 mg/hectare/year. Sulfur I do not have a definitive number I can give you. However, just because a particular project would come in below that .005 for nitrogen does not mean that it could necessarily be insignificant or nonadverse. Things have to be taken on a case-by-case basis.

MS. HEREDIA: Okay.

MR. HREN: Bob Hren, the applicant. Can I ask the source of that significance level, because it's, you know, orders of magnitude different from the significance levels that Joan quoted that I believe have some basis which Joan can --

MR. CODDING: Well, you're assuming my numbers differ from the numbers that Joan has, and

that her numbers are definitive. We don't know where those numbers that Joan cited came from. We don't know what those are.

MS. HEREDIA: Okay, basically if you read the AQRB section of the AFC there are some various studies that are cited which URS has used in many many AFCs that have proposed that 5 and 3 value.

And I don't know the reference off the top of my head, but it is definitely described in the AFC. They have not previously created issue with Park Service.

However, that said, I do understand you want to look at things on a case-by-case basis.

MR. CODDING: Yeah, well, I am not familiar, and nobody here at the table is familiar with what you're citing there. You can try and send that out to us, we'll look at it. But we're not familiar with it, and it's not something we use.

MS. HEREDIA: Do you have a copy of the AFC?

MR. CODDING: No. Don't know what it is.

MS. HEREDIA: That's a bit of a problem.

TELEPHONE SPEAKER: What exactly does an AFC mean?

MS. HEREDIA: It is the application for certification, which contains all of the detailed analysis for the project. And I guess my concern is that the Park Service would be making comments on the project in the absence of having looked at the significant detailed analysis that was done by URS.

That said, I do know that there are members, however, of the Park Service that have looked at the document. So I don't want to reflect negatively on the Park Service.

MR. CODDING: Okay. Joan, I think where the misunderstanding was taking place, we have reviewed the AFC for this project. It came through in the conversation earlier that it sounded as if you were citing your numbers from previous AFCs that had been submitted and were using that as the basis --

MS. HEREDIA: No, no, no, what I'm saying is the numbers which appear in the AFC for the Ocotillo project are consistent with numbers that URS has used probably in a half dozen AFCs, of which nobody's really challenged those numbers

previously. Again, understanding though it's on a case-by-case basis.

MR. CODDING: Yeah, that challenge may not have taken place because those projects were not predicted to have any impacts at a class one area.

MR. OLIVER: Excuse me, this is John Oliver. I have a question. You people are concerned about nitric acid and sulfuric acid getting over into Joshua Tree. What would be for us that live within a quarter of a mile of the plant, or a half a mile from the plant? Would that be dangerous to us?

MS. HEREDIA: This is Joan Heredia. The impacts from the project on the nearby residents is well below any health-based standards for public. And those health-based standards are actually geared towards children and the elderly so that they are most protective of all of the population.

MR. OLIVER: Well, we are elderly. There's quite a few elderly families.

MS. HEREDIA: Correct, and so what I am indicating to you, sir, is that the impacts from the project are well below any health-based

standards which would take into consideration the elderly.

MR. OLIVER: Then go for it. I love it, go for it.

MS. HEREDIA: Okay.

DR. PETERMANN: Okay, this is Dr. Petermann. Can I interject a couple things here? Hello?

MR. OGATA: Yes, Dr. Petermann, on the subject that we're on.

DR. PETERMANN: Yes.

MR. OGATA: Okay.

DR. PETERMANN: Yes. Okay, now, first of all, there are additional toxic agents involved, okay, as I'm sure you're aware of, and I mentioned at a meeting last night that. And I feel very strongly that a complete environmental impact report should be done by the National Park Services and all parties involved here because of the inherent dangers in case there are leaks in the pipeline due to the fact that we are so close to the San Andreas Fault.

Because this project really, you know, does pose some very severe dangers in that respect in case of an earthquake. So I would like you to

address those issues. And as a result of this I think you should do an environmental impact report studies on the inherent dangers and possibly leaks as a result of all this.

MR. OGATA: Dr. Petermann, this is Jeff Ogata. The Energy Commission Staff, our analysis is equivalent to an environmental impact report, and we typically do cover all those issues in our assessments.

DR. PETERMANN: Okay, but still, you know, you still have not answered my question, okay, as a result of earthquake impacts here. You know, we can have an 8 to 10 pointer here at anytime because we're sitting right on top of the San Andreas Fault.

And, you know, what you're saying is absolute nonsense, and it's totally irrelevant in this respect, because we have people here that are in immediate danger, and an earthquake could happen at anytime, --

MR. OGATA: Okay, excuse me, Dr. --

DR. PETERMANN: -- you understand what I'm saying here?

MR. OGATA: Doctor, excuse me, but we're on a different subject. And I do understand what

you're saying, and I indicated to you we do that analysis.

And so, you know, we need to keep moving on to the other topics. You're a little bit off the subject --

DR. PETERMANN: Okay, --

MR. OGATA: -- right now, so --

DR. PETERMANN: Okay, go ahead.

MR. OGATA: Okay, is there any other comments related to the air quality related values and the acid depositions?

We've got just a couple minutes left. Do we want to address the issue of offsets?

TELEPHONE SPEAKER: Yes.

MR. OGATA: Okay.

MS. ROCCHIO: This is Judy Rocchio from the National Park Service. And I just wanted to ask a question of where are your offsets coming from? How close are the sources? If they're coming from a bank what sources were shut down because of this. The main question is will Joshua Tree notice the reduction in pollution at the Park, given that the source is so close to the Park boundary?

MR. HREN: Bob Hren, the applicant.

Unfortunately Mike Carroll had to leave. He's, you know, our expert on offsets and all the details. But let me attempt to respond, and, Joan, if you could back me up if there's a couple technical areas that I miss.

There are three or four pollutants that we will be obtaining offsets for. One is NOx, and we've already acquired a portion of the NOx as ERCs within the South Coast AQMD, Management District.

And, in fact, we've signed an option to purchase the balance of the credits from South Coast AQMD.

So at this point all of the offset credits for NOx would be located in the South Coast AQMD.

MS. ROCCHIO: Judy Rocchio, again. That's a very large district, and my question is where in South Coast are these offsets occurring.

MR. HREN: I think that this call is not one to respond to the specific details on this. It's just --

MS. ROCCHIO: I thought this was a clarification of information call.

MS. HEREDIA: I guess if I might provide

some insight. As you may be aware, offsets are generated by controlling existing sources. The issue with the Coachella Valley is that it's primarily a tourist industry area.

And the applicant has made effort to find sources within the close proximity of the project. But the issue is that there really aren't many sources to control right around there.

I have heard repeatedly that there is concern about impacts of the air quality in Los Angeles impacting Joshua Tree. And so I guess what I would say is it's kind of a double-edged sword.

If the concern is that the impacts from South Coast are impacting Joshua Tree, then that would imply, in my mind, that if we reduce emissions within South Coast, that that should also help Joshua Tree.

Granted, it would be nice to have the credits right next to the facility, but the sources are not there.

MS. ROCCHIO: Well, that is my point exactly. I'm following your logic about reducing emissions in the L.A. area will ultimately reduce emissions that are transported to the Park.

But my main concern is this is a source right on the boundary of the Park. And the emissions don't have to go very far to be right on top of the Park.

And so this is a 24-hour a day, seven-day a week, you know, 365-day of the year source right on the boundary --

MS. HEREDIA: But that's incorrect. It's not going to be. We are talking about a source that's going to operate cumulatively less than a year right now, okay, and --

MS. ROCCHIO: Well, -- early stages --

MS. HEREDIA: -- won't be a 24/7/365 a year.

MS. ROCCHIO: -- would be --

MS. HEREDIA: The permit will have an enforceable condition which restricts operations to less than 4600 hours per year.

MS. ROCCHIO: Okay, so how many days a week would that be -- reflect? And my question, I guess my point is that the transported pollution from the L.A. Valley is seasonal. And so there are some times of the year that are actually clean in Joshua Tree.

And this source, my concern is, may make

those clean days dirty. Whereas now we do have some clean days.

MS. HEREDIA: Can you elaborate on when you feel your clean days occur?

MS. ROCCHIO: Yes. Our clean days occur during the winter months.

MS. HEREDIA: And then what I would like to suggest to you is that this facility, operating in simple cycle, will serve to respond to peak energy generation needs. And we are anticipating that it would rarely, if ever, operate in the winter months during your clean period.

MS. ROCCHIO: And then we also have clean periods in the spring.

MR. NOTAR: This is John Notar, Park Service. Are you willing to take a seasonality limitation in the permit --

MS. HEREDIA: We would prefer not to, but I think I must direct that towards Mr. Hren.

MR. HREN: Bob Hren, applicant. I'd have to understand more what that request really implies to be able to answer it.

MR. NOTAR: Joan, do you want to answer that, or shall I?

MS. HEREDIA: Go ahead, John. I mean if

that's what the Park Service is suggesting, because I guess my concern is it sounds like no matter what we do from an offset package that the Park Service may take some exception. So let's explore the options here.

MR. NOTAR: Well, let me explain to Mr. Hren. And we've done this with many other power plants around the country, especially when sometimes they're going to other fuels and stuff, or they're impacting the parks.

Is that they are willing to take a condition in their permit, a federally enforceable permit condition, that would say that they're not going to operate the plant during certain seasons, during certain months.

And this is really based on what the power, what the applicant, themselves, feel would be their time they do want to operate. Sounds like you people want to really be a summertime peaking station. And then you would say, well, we will take a conditional permit not to operate, say, November, December, January.

And then those months would not be analyzed in the modeling analysis. Those months would drop out of the analysis, so there would be

no potential impacts because you would not be operating. So those months would not be reviewed.

One other thing on offsets I would like to point out is that, and we'll see this one the PLUVUE analysis has been reviewed by this office further, is that if there is impacts from a plume, a coherent plume, there is no way to offset that impact, because that is a coherent plume from that specific stack in the Park.

And the only way to reduce the impact of the plume is to add additional controls onto that stack.

Regional haze can be offset by other sources, but as a coherent plume it can only be mitigated by additional controls on that particular stack.

MS. HEREDIA: Maybe, John, the approach should be as for you to look at our PLUVUE analysis and let us -- I don't know, I mean I guess it's either you could let us know if you think that's warranted, upon your further review, that we restrict operations in November, December, January?

MR. NOTAR: I just threw out those months for example.

MS. HEREDIA: Okay.

MR. NOTAR: I mean that's really the applicant's call. We never require people to do that. If there are impacts during certain months that would maybe have us make an adverse impact determination, and pass that information on to the permitting authority, --

MS. HEREDIA: Maybe the best approach here would be for you to take some time and look at the impacts; us to revisit the CALPUV modeling, as well. And then to have some discussions on whether it is believed that it is warranted that the applicant should consider maybe restricting operations till wintertime periods.

I guess what I would like, however, from the Park Service is if you could define for the applicant what you consider to be your clean periods and what the basis for that determination is.

MS. ROCCHIO: We can gladly do that.

MS. HEREDIA: Okay.

MS. ROCCHIO: I have one more question/ comment about the offsets. Judy Rocchio again. And that is what ratio of offsets are you getting? Is it a one-to-one, or greater than one-to-one

offset ratio?

MS. HEREDIA: That is a function of the pollutant, but in general NOx, since the project will be opting into reclaim will be on a one-to-one, and all other pollutants will be on a greater than one-to-one ratio.

MS. ROCCHIO: And do you know what that ratio is?

MS. HEREDIA: South Coast, do you want to elaborate on that?

MR. NAZAMI: Under our new source review requirements the offset ratio is 1.2-to-1.

MS. ROCCHIO: Okay, that's for VOC and PM?

MR. NAZAMI: That's for all pollutants unless there is an interpollutant trade, in which case the offset ratio will depend on the interpollutant conversion. It's a case-by-case.

MS. ROCCHIO: Okay, 1.1 to 1.2, still very low. Okay.

MR. OGATA: Okay, any other comments or questions about offsets?

MR. GOLDEN: Well, yes.

MR. OGATA: Mr. Golden.

MR. GOLDEN: Keith Golden, CEC. We've

only addressed one pollutant so far, and that was NOx. Perhaps the applicant could elaborate on the other pollutants, VOC, SO2 and PM10, and the status of their offset acquisition for those pollutants.

MR. HREN: Bob Hren, excuse me --

TELEPHONE SPEAKER: Come on, you goofball.

MR. HREN: This is Bob Hren, the applicant. VOCs, we purchased a quantity of VOCs. I don't have that quantity in front of me. We have docketed a report to the CEC that contains all the numbers. We have a significant portion of our VOCs and the balance is readily available in the market.

PM10, we have purchased approximately 250 pounds per day of PM10 in the marketplace. And we are searching for additional PM10. We're also looking at other creative ways of creating PM10. Any amount that we cannot find in the marketplace, our intention is to seek credits from the priority reserve that South Coast AQMD has.

And sulfur, it's a very small amount. In fact, I believe we're going to end up being below the threshold for SOx. And we're looking

at -- I think we've already communicated that we've reduced our hours, and that we're below the threshold for SOx.

I already mentioned NOx. We have 100 percent of our offsets under contract or in hand.

MR. GOLDEN: Okay, I guess I need to bring a point up. Keith Golden here. Based on the data responses there's apparently a lot of new information about the offsets that the applicant apparently has come up with of which we have not seen any evidence.

Based on our initial review of the responses dated 7/27, we saw a significant shortfall in the NOx reclaim credits. Apparently now they have apparently secured more of those.

We saw a shortfall in VOCs. It appears now that they have come up with more VOC ERCs. We were unaware of that.

For PM10 they had not provided any PM10 offsets in their data responses. Apparently they have come up with some PM10 credits. We are unaware of that.

And for SO2, it sounds like the applicant is proposing to reduce the hours of operation; however, to our understanding this

project is still permitted on an annual basis of approximately 4600 hours. And that's consistent with all the information that's been formally submitted from the applicant on this, especially the most recent data responses.

So if there's additional information concerning reducing the hours of operation that would put the project below a threshold for SO2, that's certainly something we'll need to know in a very short order.

MR. HREN: Bob Hren, the applicant. I will check and see the status of communications in docketed format. I believe you're absolutely right, some of that is brand new. We just purchased PM10 credits this week. So we have not docketed that information yet.

But some of the other information I thought had been docketed. I'll check with Mike Carroll and whatever status it is, we'll continually, as information changes, submit new information to the CEC.

MS. HEREDIA: This is Joan Heredia. Keith, I think what this points out is that the applicant is making every effort each day to try to resolve the offset issue.

MR. GOLDEN: That's fine, just want to keep the ball rolling along here, and I just wanted to let you know what we knew, and that was not, obviously what has transpired in the few days.

MS. HEREDIA: Um-hum, -- well, okay. I believe much of that NOx information is docketed as an attachment. Whereas there are many pages for some of them, there was a significant portion of NOx credits that are documented via a one-page ACE agreement. And you may want to take a closer look at that.

MR. GOLDEN: A one-page ACE agreement?

MS. HEREDIA: Yes.

MR. GOLDEN: Is that --

MR. WALTERS: Joan, this is Will Walters. I reviewed everything that was in the attachment, and there's some RTCs and some ERCs in there that would come up with maybe about two-thirds, maybe slightly less than two-thirds of the requirement based on the 4600 hours.

But I also want to point out if you do change your hours that that's going to impact all your modeling results. And we're essentially going to have to see everything re-done for all

the annual.

MS. HEREDIA: Will, what I would suggest is that if, in fact, we -- and this has occurred several times to me through AFC processes, that if the applicant reduces the hours of operation, in effect what they would be doing would be minimizing their impacts from the project such that it has not previously been required that we go revisit the modeling. Because that which is contained within the AFC would be the most conservative, and would not -- there would not need to be additional modeling to identify if there were additional impacts.

MR. WALTERS: Joan, I'm referencing those issues right now that National Park Service is saying that there may be some impacts. Not specifically the near field ambient air quality concentrations.

MR. HREN: Bob Hren, the applicant. And I believe the document that was docketed that contained what was just referred to as the ERCs RTCs, in that same submittal there was a reduction in hours.

And I guess what was just suggested, perhaps, might be that with that reduced number of

hours it could have an impact on some of these analyses that we've talked about for the past over two hours.

And, if so, we may, in those cases where we were so close to that significance threshold, even the proposed not in effect threshold, we may, in fact, fall below it now, Joan. So it's something we may want to look at from that perspective.

MS. HEREDIA: I would concur, as we move forward, Bob.

MR. OGATA: Okay, anything else from Keith or Will?

MR. GOLDEN: On offsets?

MR. OGATA: Yes.

MR. GOLDEN: No, I don't. Do you have anything on offsets right now, Will?

MR. WALTERS: I guess I would just like to see, you know, documentation basically as soon as it becomes available. And maybe I can, just offline I'll make sure that Joan has all my contact information. Or if I need to get that to anybody else, you know, in the legal side of it to do that in order so that I can get my analysis done on time.

MR. OGATA: All right. I think that concludes the things that we wanted to try to cover on the agenda.

Anybody has any last minute thoughts about some of these things, we'll try to address them quickly. If not, I'd like to ask the public for their questions.

I guess, Mr. Oliver, you indicated you had a couple of questions?

MR. OLIVER: Yes, this is John Oliver. The Doctor brought up a point. We live about 200 feet -- 200 yards from the San Andreas Fault. And this house was built in 1955. And the only thing it's got is a crack at the base.

The earthquakes happen everywhere else, like in San Fernando or San Francisco or over highway 111. It doesn't seem to hit here. And this house is living proof that there's not much earthquake activity in this area. That's since 1955.

I'm wondering just how much impact it would have. And I didn't understand what he meant by the oil. I thought this was a gas-fired project, natural gas-fired project. And what's this all about the oil spillage or whatever?

MR. HREN: Bob Hren, the applicant. First, let me talk about oil and gas. This is only a natural gas-fired project. There's no oil involved --

MR. OLIVER: That's what I thought.

MR. HREN: -- combustion, so I don't recall in this call today that we had a discussion of oil.

MR. OLIVER: Yeah, I mean the Doctor brought up a point about the earthquake, San Andreas Fault and all that, and the earthquake would cause oil spillage. What oil spillage, that's what I'm wondering.

MR. HREN: If I may speak for the Doctor, at some risk, I realize. I believe he was referring to a release of natural gas, should the natural gas pipeline rupture.

MR. OLIVER: Well, yeah, but that could be shut off real quick, right? The fuel going to the plant can be shut off from somewhere else if something like that happens so that we wouldn't really have all that problem?

MR. HREN: Yeah, a couple of points. That is how the natural gas pipelines are designed, with shutoff valves, especially going

through seismically active country like southern California.

The gas pipeline will be designed and built and owned by SoCalGas Company, and they have extensive experience. They know how to design their gas pipelines.

MR. OLIVER: Especially through faults and what-have-you?

MR. HREN: Exactly right. And I wanted to make a second point, and that is the natural gas pipeline will be extended only approximately one mile, maybe a mile and a quarter from where it exists today. And throughout that mile to mile and a quarter distance it does not cross the fault line. So I just wanted to make that clarification, as well.

MR. OLIVER: Oh, really? Yeah, I know what you mean because the fault line goes down Dillon and goes down further and crosses the --

MR. HREN: Yes, the natural gas pipeline is now south of the fault line, and our power plant where the gas will go is also south of the fault line. So we do not cross the fault line.

MR. OLIVER: Right, yes, you are. The fault is between us and you, I mean us and the

plant. The fault is right directly between us and the plant, so I don't see where -- if you've got, that's the thing, I don't see where that would be any problem.

MR. OGATA: Mr. Oliver, do you have another question?

MR. OLIVER: No.

MR. OGATA: Okay. Ms. Joseph, are you still --

MR. OLIVER: Oh, yes, yes. One more thing. You were talking, before we had our little crisis at home, you were talking about heat emission, 1100 degrees of 1050 degrees. Is that out of the stack?

MR. HREN: Bob Hren, the applicant. Yes, that is out of the stack in the phase one, the simple cycle mode of operation.

MR. OLIVER: It would come up out of the stack that hot?

MR. HREN: That's correct.

MR. OLIVER: Well, we get hot days around here. It would be fine in the wintertime, heat up the place. But, I don't see -- how high are the stacks going to be?

MR. HREN: Okay, the phase one stacks, I

believe, are 80 feet tall.

MR. OLIVER: Eighty?

MR. HREN: Yes.

MR. OLIVER: I think we're considerably underneath that, so we wouldn't have to worry about the heat hitting us.

MR. HREN: Well, yes, you know, there's no thermal impact to any neighbors or any --

MR. OLIVER: And, also we're north of the -- well, there's one neighbor that I got south of me on the other side of the fault. He might be in the direct path of the stack, but I think it's dependent upon where you put your stack, I still think it will be an angle.

And we have primarily westerly winds that blow through here, they come from the west. But we're on the east of where the heat would be, but I think you got your stacks high enough up that it wouldn't, shouldn't hurt us.

MR. HREN: If I could just add a point. At that temperature the exhaust gases have such buoyancy they would rise rather quickly and dissipate upward into the atmosphere. So, --

MR. OLIVER: Yeah, with the winds we got here, it would blow out quick. You know, 35, 40

mile gust winds we get out here.

MR. OGATA: Okay, thank you, Mr. Oliver, we need to move on to see if there are other people who have questions.

MR. OLIVER: Okay.

MR. OGATA: Ms. Joseph, Ms. Mann, are you still there? Anyone else on the phone that needs --

MR. GILBREATH: This is Daryl Gilbreath, a citizen.

MR. OGATA: Yes, Mr. Gilbreath.

MR. GILBREATH: I have raised an issue that has not been resolved to my satisfaction. Let me give a little quick background on this.

A few weeks ago I spoke to Mr. Pryor and I said I'm concerned about the possibility that this project might increase our humidity, our relative humidity here in the Valley.

And he tried to tell me about how much water the plant would use. And I said, well, it's not just that that's my concern. I'm also concerned about what I would call the combustion moisture. In other words, anytime you're burning any kind of a hydrocarbon the hydrogen part, of course, combines with oxygen from the ambient air

to produce H2O water, steam, humidity.

Now, he could not answer my question. He didn't seem to be very responsive, even though he seems to be a very nice gentleman. And then I subsequently asked the lady from the AQMD, Pang Mueller, I believe her name is, and she indicated that this was not even something that the AQMD even bothered looking at or studying, which further unsettled me.

And then I spoke to Mr. Walters, who I believe is on the line right now. And Mr. Walters, I felt, was quite unresponsive, although he indicated to me very clearly that he thought that my concerns relative to the creation of combustion moisture were really not well founded. That the actual numbers would turn out to be quite insignificant.

My question really is can Mr. Walters, or whoever is in charge of this, produce the numbers and show very clearly, calculation by calculation, and quoting standard reference materials, demonstrate and show us what the -- well, basically what I want to see is I want to see what is our typical relative humidity, particularly in the summertime, where we're at

right now, and how this plant will affect that humidity level.

Is it going to increase the humidity level of this valley, which for those of you that have not been involved in discussion, on a practical level can be extremely important. Because we have days that even though our averages are 110 degrees, which are -- or 109 degrees, which is certainly hot in July and August, that sort of thing, we do have quite a few days that are 115. Occasionally we even have days that exceed 120 degrees Fahrenheit.

If you've ever been in New Orleans or Houston in July and August, you would know what I'm angling at here. That the last thing this valley needs to put up with would be significant increases in our humidity level. That while humidity may not normally be thought of as a pollutant, it's certainly of deep concern to me.

MR. OGATA: Okay, Mr. Gilbreath, thank you very much. We heard your concern; we acknowledge it; we're not prepared to answer it today. We will pass it on to the appropriate staff people, and we'll try to get some kind of response to you about that issue.

MR. GILBREATH: And let me underscore the fact that when the answer does come up I would certainly prefer to see a worksheet, if you will, that shows step by step how the calculations were done; and the reference to the standard combustion engineering technical manuals or whatever that would show very clearly that hopefully my concerns are unfounded.

MR. OGATA: We'll see what we can do about that, sir. We don't typically release our exact calculations. Typically they're just a description of the process that we use, and the conclusion. But we may be able to accommodate you with individual staff people. We'll have to take a look at that issue and see what we can do.

MR. GILBREATH: I'm sorry, I don't know who is speaking?

MR. OGATA: My name is Jeff Ogata. I'm sorry.

MR. GILBREATH: Jeff --

MR. OGATA: Ogata, O-g-a-t-a. I'm the staff counsel for this project.

MR. GILBREATH: Jeff Ogata, and you are with?

MR. OGATA: The CEC, Energy Commission.

MR. GILBREATH: With CEC. Thank you, Mr. Ogata.

MR. OGATA: Thank you.

MS. ROCCHIO: This is Judy Rocchio, and following up from that last commenter's point, it seems like this would also be a cumulative impact issue and just one power plant might not be significant, but when you add up all, you know, seven or so that are out there, it might add up to a significant value.

Is that something you might consider, is looking at this as a cumulative problem?

MS. HEREDIA: This is Joan Heredia. I don't know of any CEQA environmental standards which require the addressing of humidity.

MR. GILBREATH: This is Daryl Gilbreath. There may not be standards, but there's a beginning for everything. And perhaps this is the time to establish some standards.

MR. HREN: This is Bob Hren, the applicant. First, Mr. Gilbreath, and I think it would be good for the applicant to run some calculations and provide that information to, you know, just answer the question so that, you know, you don't worry about it, and other residents are

not concerned about it.

I'm confident the result would be, you know, no significant, or virtually imperceptible increase in humidity in the valley.

But, second question to Judy Rocchio. I think the answer to that one is more what Joan was saying, which is, you know, there's no requirement for us to look at that from a CEQA perspective, and the impacts on wildlife or what-have-you in the Park.

You can take our results --

MS. ROCCHIO: I'm not --

MR. HREN: -- and multiply it by five or six or seven or eight, however many plants you want, and you might get some idea of the cumulative impact.

MR. GILBREATH: This is Daryl again. The lifeform that I'm primarily concerned with is the human lifeform.

MS. ROCCHIO: Exactly my point.

MR. GILBREATH: And, you know, if these plants cumulatively alter our humidity level, that could be very very serious.

In fact, there's a remark here in the Valley where people will say things to the effect

of, yes, we have very high summertime temperatures, but that is somewhat offset by the fact that we have such dry air.

My concern is that we continue to keep this dry air that we have.

MR. OGATA: As I said, we will do what we can with that issue, and we will put it in our staff assessment.

MR. GILBREATH: And, Mr. Hren, if I would further comment, when you mentioned the other residents, you said they're not concerned. I think in many cases this thing has come up so fast that many of them aren't even aware of this process going on.

If it does turn out that your assertion that this entire situation, both your plant and the other proposed plants, cumulatively together will not significantly alter the humidity level then they have no reason to be concerned.

But if, on the other hand, this does significantly increase our humidity, I think that they would be extremely upset.

MR. HREN: Mr. Gilbreath, Bob Hren speaking. I'm sorry if I was misunderstood. I did not -- I did not mean to say, if I said it,

that other residents are not concerned. I said other residents may have the same concern, and so we'd like to get the information out so that everybody understands.

MR. GILBREATH: Perhaps I misunderstood your remarks.

MR. GOLDEN: If I could comment, please. Keith Golden, CEC. So, Mr. Hren, I understand that you're going to actually submit an analysis along the lines of the concerns raised here so it would assist all the parties, including ourselves, to understand the potential impacts here considering the kind of a pressure we're under to prepare our normal analysis.

This is certainly something new and innovative that we have not had to address before.

MR. HREN: Yes. Bob Hren, the applicant. That is correct. We will submit calculation.

MR. GOLDEN: Appreciate that, thank you.

MR. OGATA: Okay, this is Jeff Ogata again. Is there anyone else from the public that wants to ask a question?

MR. COVEY: Yes, this is Tom Covey. I'd like to -- hi, Bob. I'd like to ask you about

right now the simple cycle that you're asking for is a 4600 hour and we've gone through all the machinations of the pollutants and things like that.

When you apply for the combined cycle unit, that would be a separate application, I gather. And it does reduce the pollutants somewhat because of the scrubber on the second half.

How many hours do you intend to apply for on the combined cycle unit? Is that still going to be 4600 hours? Or does that go to the full 8000 hours a year?

MR. HREN: Bob Hren, the applicant. Tom, we're still running numbers to predict the hours of operation in the combined cycle mode, phase two.

My expectation, the hours would go up from the 4600. But they would not be 8760, which is, you know, 24/7 --

MR. COVEY: Right.

MR. HREN: -- type of operation. So it would be between those two numbers.

MR. COVEY: Okay, so just to clear it up in my mind. The amount of pollutants that will be

put out by the simple cycle at this point won't be increased by adding the combined cycle to it? It will actually either break even or reduce it depending upon how many hours you actually need to operate it?

MR. HREN: The answer to that really depends upon which pollutant you're talking about. One of the most significant is NOx. And that, because when we put in the SCR, you mentioned it as a scrubber, it's an SCR, selective catalytic reduction unit, we reduce from 9 to 2 ppm.

So, even with higher hours of operation the total NOx emitted is significantly lower than the simple cycle case.

MR. COVEY: That answers my question, thank you.

MR. OGATA: Okay. Are there any other questions from members of the public?

MS. WALLIN: Elizabeth Wallin, concerned citizen.

MR. OGATA: Yes, please go ahead.

MS. WALLIN: Just in addition to a possible increase of humidity. Our Valley, because it is dry, is able to conserve energy by using coolers, water coolers, because of the dry

conditions.

And anytime the humidity is increased it becomes unbearable and unusable, and therefore the air conditioners are put into effect. And this would certainly increase the energy consumption in the Valley.

MR. OGATA: Thank you, Ms. Wallin. Is there any other public comment?

MR. GILBREATH: This is Daryl Gilbreath once again. I was wondering, is there an anticipation that there will be another conference call? And if so, do you know when that would be, or can you estimate that?

MR. OGATA: This is Jeff Ogata. I can't tell you when the next workshop will be. I can't tell you it will be by telephone conference or if it will be in person in Palm Springs.

We still have to take a look at the information that we need. And we determine when we have workshops kind of based upon what the information we need is, and how soon we need it.

So, again, the notice of that will go to everyone who requested to get notice, typically our workshops are noticed ten days prior to them occurring. So you should receive notice of it

either by email or by regular mail. Those notices are always posted on our website, as well.

MR. GILBREATH: Thank you.

MR. OGATA: Okay, at this point, Joan Heredia, can I ask you to basically summarize what you're going to provide to the Park Service --

MS. HEREDIA: Absolutely, I appreciate that you're doing that, because I was going to suggest it. So, we're like-minded there.

MR. SHEPHERD: This is Don Shepherd with the Park Service, one more question --

MR. OGATA: Okay, I'm sorry.

MR. SHEPHERD: -- before Joan starts. A question has come up here as to the nature of the particulate emissions that are estimated from this source.

I think we're seeing something like 78 tons a year. We were wondering if that includes only the filterable particulate emissions, or does it also include condensable emissions. And what is the policy of the District on particulate emissions, whether they count the filterable and condensable, or just filterable.

MS. HEREDIA: This is Joan Heredia. I can respond to that. Our particulate emissions

are based upon our vendor guarantees which include front and back half or condensables and non-condensables.

And, in fact, I feel that the particulate emissions are somewhat conservative in that the project has opted to use guaranteed values, and if you look at recent source test values, most of these gas turbines emit at levels less than that.

But we are being conservative to confirm that there are no potential significant impacts. And so that's why we've taken the conservative approach.

MR. SHEPHERD: Okay, thanks, Joan.

MS. HEREDIA: Sure.

MR. OLIVER: This is John Oliver, again. I'd like to thank all you people. For those of us who live at ground zero, more or less, and right on the fault, we appreciate all the concern that everybody is giving this plant.

But most of us are not NIMBY. We want that plant right in our backyard. Most of the neighbors that I talk to, we want it. And we're at ground zero. So, we know that our state needs the energy, and our Coachella Valley needs the

energy, in the summertime especially, so we can run our air conditioners and what-have-you.

And we already know about the monsoon season, and there's nothing we can do to have President Fox of Mexico switch off the monsoon season that comes up here.

So, we're very happy with the concern, and with all you people really getting down to the nitty-gritty about this. Thank you.

MR. OGATA: Okay, thank you, Mr. Oliver. Okay, Joan.

MS. HEREDIA: Okay. Joan Heredia. I think maybe to wrap this up, what we, in regard to best available control technology, URS will fax to both Denver, as well as Joshua Tree, a copy of the best available control technology white paper so that they can review that information.

On the regional haze analysis, URS has committed to revisiting the CALPUV far field analysis. And we will do a cumulative assessment which takes into consideration reasonable sources within 100 kilometer radius of the site, of which URS will work with John Notar to identify those sources which need to be included.

And URS will make inquiries both with

the South Coast, as well as local air agencies as to major sources that might be within 100 kilometers. And tentatively it has been identified that that cumulative assessment will include, at a minimum, the Indigo project, the Mountain View project, the Torres-Martinez project, and possibly the Pegasus project.

And then URS will work with Notar on High Desert and peakers around High Desert. And also I heard South Coast say that they'd try to see if they could find the Coachella Valley Cement Plant.

So, we definitely have some work there for CALPUV, as well as the applicant will be submitting a letter to the CEC to explore the possibility such that the agencies can have some greater time to provide input on this analysis without incurring day-for-day slips on the AFC process schedule.

In regard to increment consumption analysis, I'm a little bit hazier here. It sounded like, and please, I look for input from South Coast and other agencies, that at this time increment analysis for PM10 would not generally be required because the project site is in a

nonattainment area, although it could be required, but I didn't hear South Coast say they wanted it.

So I think that the PM10 issue, our approach at this point, that we would not do increment analysis for it.

And on an NOx basis, I guess I would propose we would not do that, either, just because we're so close to even the very low proposed standards.

On deposition, it sounded like we would need to again revisit CALPUV modeling and reassess deposition, which the project will be glad to do.

In regard to PLUVUE I believe that the National Park Service intends to contact Will Richards to discuss the met data selection methodology to ascertain if they feel comfortable with what URS suggests is a very conservative approach.

So I would anticipate that I would be hearing back from probably John Notar or somebody at the Park Service in regard to the PLUVUE matter.

MR. NOTAR: I thought we were under the assumption that Will Richards would contact Park Service.

MS. HEREDIA: Okay, I can do that.

MR. NOTAR: He knows us.

MS. HEREDIA: Okay, that's fine.

MR. NOTAR: And one other thing under the regional haze, Ralph Morris said that he would look at the speciation of the fine particle, the PM coming out of the stack.

MS. HEREDIA: Oh, yes, you're right.

MR. NOTAR: -- characterize the particulates for the regional haze analyses from the turbines. And that was to notify for all these turbines, they're probably all very similar.

MS. HEREDIA: Okay. And then would you concur that we not revisit increment consumption analysis?

MR. NOTAR: We're going to have to take that under advisement here. At this point South Coast is not requiring this. We will have to get back to you on that one.

MS. HEREDIA: Can we maybe put a timeframe to that, since that may incur additional analysis. And if so, the applicant would like sufficient time to address your concerns.

MR. NOTAR: One thing, I guess, we're scoping on that. We never did address the issue

when you ran ISC for the NO2 annual increment, was ozone limiting applied? Or was it assumed 100 percent conversion?

MS. HEREDIA: I believe -- John Legue, are you still here?

MR. LEGUE: Yeah.

MS. HEREDIA: I believe we did not use OLM can you clarify that for me?

MR. LEGUE: That's correct, we did not use OLM.

MR. NOTAR: So you assumed it was 100 percent?

MR. LEGUE: That's right.

MR. NOTAR: Okay, we will take that into consideration when we make our determination both on the 24-hour PM10 cumulative analysis, and NO2 cumulative analysis.

MS. HEREDIA: Maybe to clarify for the public, the issue of not using the OLM method implies that URS was more conservative in the assumptions; and actually taking into consider OLM could potentially reduce impacts. Would you agree with that, John?

MR. NOTAR: Yes, I do.

MS. HEREDIA: Okay.

MR. OGATA: Okay, this is Jeff Ogata. Is there anything else?

All right, well, thanks, everyone, for hanging in there with us this morning. And, again, I realize that telephone conferences aren't the best in the world. We do apologize for having to do this.

We try to do in-person workshops as often as possible, but this is kind of an emergency. So we do appreciate all of you working with us on this.

MS. HEREDIA: One last thing, Jeff. I did not hear from the Park Service when we would hear back from them on the increment assessment.

MR. NOTAR: It'll have to be -- well, today's already Thursday, it will have to be sometime next week, the best we can do.

You know, like I said, this office here is for the whole National Park Service system. We have somewhere close to 35 other major source permits that we are presently inhouse reviewing. And we have spent a lot of time on this project already.

I know it's very important to you, very important to us, but there's other national parks

in other states, other utilities that also require our attention. So we're doing the best we can.

MS. HEREDIA: Sure. Could we maybe say we would hear back from you by Wednesday of next week?

MR. NOTAR: We'll do our best to meet that time, but we cannot guarantee it. But, like I said, we'll discuss it as soon as possible.

MS. HEREDIA: Okay. If it's acceptable to the CEC, I will anticipate being in touch with the Park Service frequently to try to resolve the issue.

MS. ROCCHIO: If I might, this is Judy Rocchio again. There's one last thing that came up that I didn't hear in the summary, and that was that the National Park Service is going to provide URS with the days of greatest visibility for the Park.

And then the applicant was actually going to talk about looking at seasonality related to the amount of time in operation.

MS. HEREDIA: Thank you for that clarification. I would agree that the Park Service did indicate they would provide that information.

MS. ROCCHIO: Right, okay.

MR. SHEPHERD: Joan, this is Don Shepherd. How soon do you think you can fax that white paper? I'm going to be out of the office until next Thursday. If you could fax it this afternoon I'd still have a chance to look at it before I leave.

MS. HEREDIA: I would be glad to fax it as soon as we hang up the phone here.

MR. SHEPHERD: Okay, great, thanks.

MR. LEGUE: Joan, this is John Legue of URS. One other item that I don't think came out of your summary is that we're going to provide a protocol for the cumulative.

MS. HEREDIA: That would be correct.

MR. NOTAR: So the answer is you will provide a protocol once we've all decided what's going to be done?

MR. LEGUE: I think we would propose that we do our best to come up with what we think should be done and let you react to it.

MR. NOTAR: Okay, that sounds fine, thank you.

MR. COVEY: Tom Covey here again. Just for clarification, this ends the continuation of

the hearing that was on Monday and any other meetings or conferences will have the ten-day notification?

MR. OGATA: This is Jeff Ogata. That's correct.

MR. COVEY: Okay, thank you.

MR. OGATA: Thank you. Okay, if there's nothing else, then again thank you, all, for participating. And we'll meet again, I'm sure, soon.

Thank you. Bye bye.

MS. HEREDIA: Thank you.

(Whereupon, at 12:50 p.m., the teleconference workshop was concluded.)

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CERTIFICATE OF REPORTER

I, VALORIE PHILLIPS, an Electronic Reporter, do hereby certify that I am a disinterested person herein; that I recorded the foregoing California Energy Commission Teleconference Workshop; that it was thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said workshop, nor in any way interested in outcome of said workshop.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of August, 2001.

VALORIE PHILLIPS